



DoD's Materiel and Distribution Management

FACT BOOK

Fiscal Year 1996



ACQUISITION AND
TECHNOLOGY

OFFICE OF THE DEPUTY UNDER SECRETARY OF DEFENSE
FOR LOGISTICS
3500 DEFENSE PENTAGON
WASHINGTON DC 20301-3500

DoD's Materiel and Distribution Management Fact Book contains general information about secondary item supply and distribution operations for FY 96. Also, the Fact Book presents historical information from FY 90 through FY 96 where needed to highlight important trends. The Fact Book provides general information only and does not represent official correspondence.

A handwritten signature in black ink, reading "James B. Emahiser".

James B. Emahiser
Assistant Deputy Under Secretary of Defense
(Materiel & Distribution Management)

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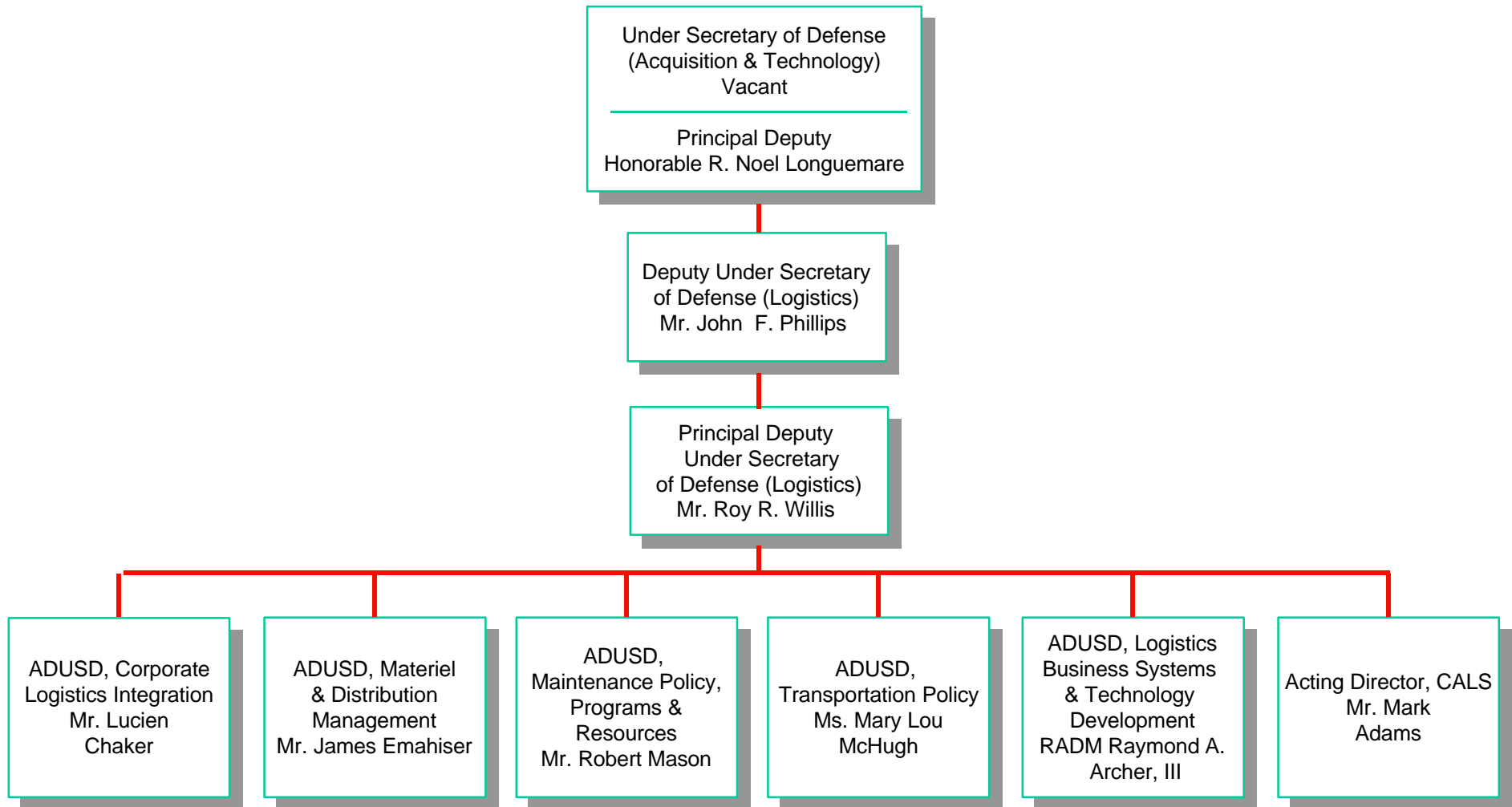
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Acronym List

ADUSD	Assistant Deputy Under Secretary of Defense
ATCOM	U.S. Army Aviation and Troop Support Command
CALS	Continuous Acquisition and Lifecycle Support
CECOM	U.S. Army Communications-Electronics Command
CONUS	Continental United States
DFSC	Defense Fuel Supply Center
DISC	Defense Industrial Supply Center
DLA	Defense Logistics Agency
DLMSO	Defense Logistics Materiel Support Office
DPSC	Defense Personnel Support Center
DSCC	Defense Supply Center, Columbus
DSCR	Defense Supply Center, Richmond
ICP	Inventory Control Point
MCLB	Marine Corps Logistics Base
MICOM	U.S. Army Missile Command
NAVICP	Naval Inventory Control Point
OC-ALC	Oklahoma City Air Logistics Center
OO-ALC	Ogden Air Logistics Center
SA-ALC	San Antonio Air Logistics Center
SM-ALC	Sacramento Air Logistics Center
TACOM	U.S. Army Tank-automotive and Armaments Command
WCF	Working Capital Fund
WR-ALC	Warner-Robins Air Logistics Center

OSD Logistics Organization



As of June 1, 1997

Logistics Vision

- Provide reliable, flexible, cost-effective and prompt logistics support, information, and services to the warfighters
- Achieve a lean infrastructure

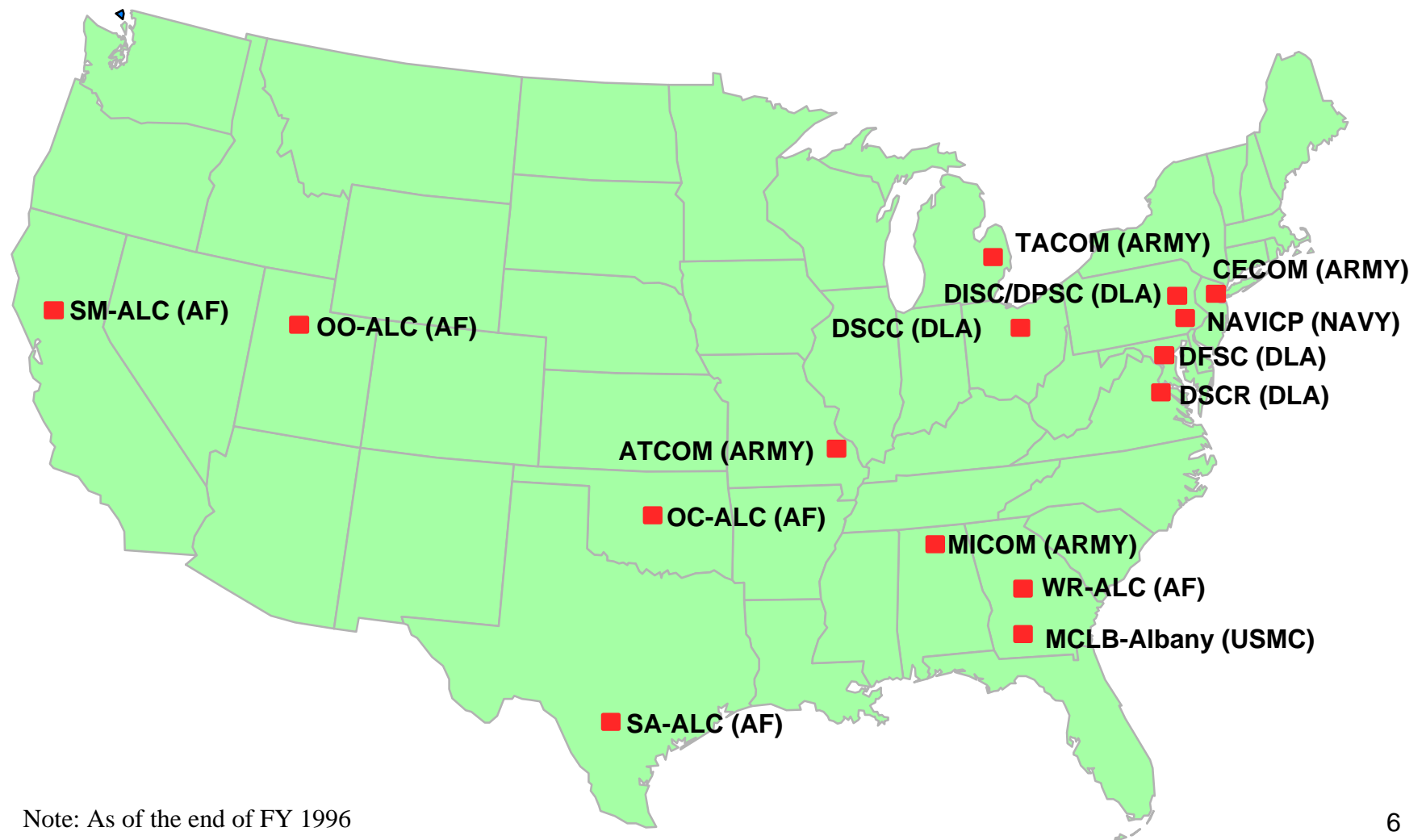
Logistics Mission Statement

To provide responsive support to ensure readiness and sustainability for the Total Force in both peace and war

Logistics Goals and Objectives

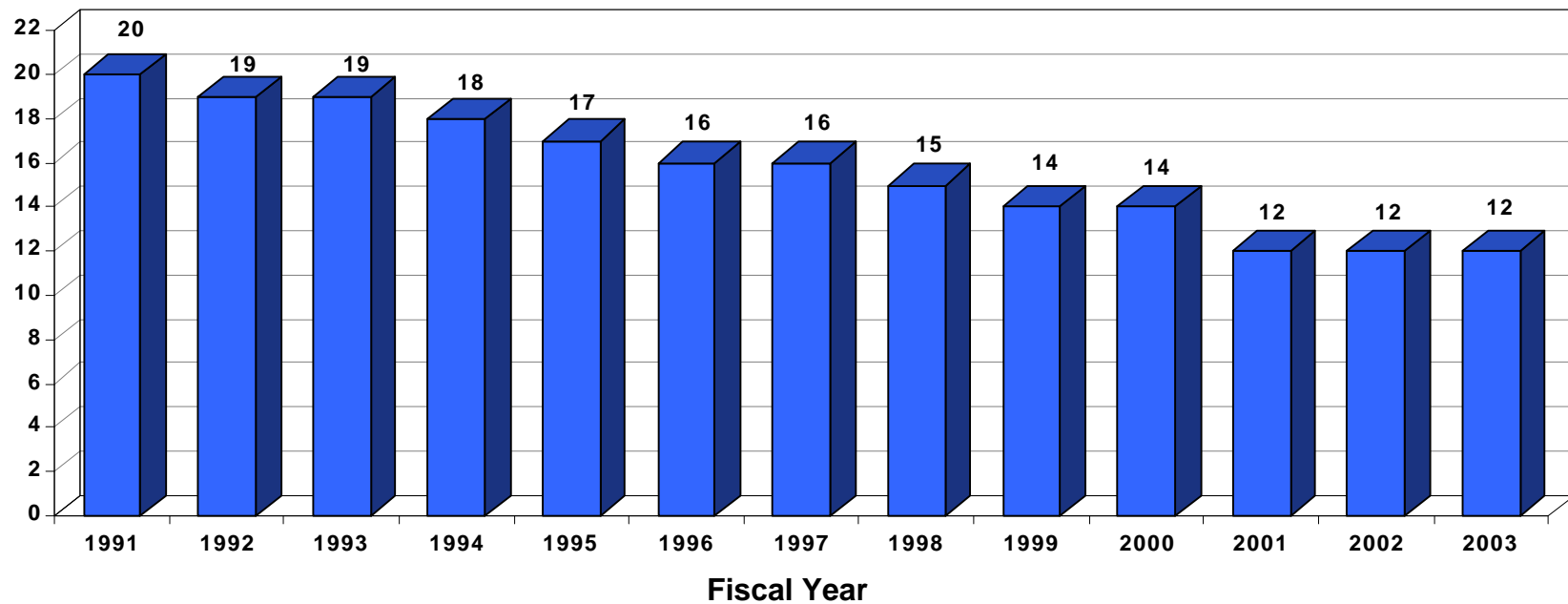
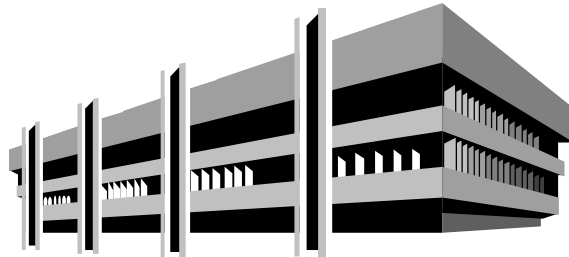
- Reduce logistics cycle times
 - Reduce Logistics Response Time
 - By September 1997, reduce logistics response time by 1/3 compared to 1st Qtr FY1996
 - By October 2001, reduce the average age for backordered items to 30 days
 - Implement Total Asset Visibility
 - Improve mobility and prepositioning
- Develop a seamless logistics system
- Streamline logistics infrastructure
 - Implement most successful best practices
 - Reduce inventory value to \$55 billion (FY1995 dollars) or less by October 2001
 - Reduce occupied warehouse space to 375 million cubic feet or less by October 2000
 - Increase outsourcing
 - Reduce weapon system cost of ownership

Inventory Control Point Locations



Note: As of the end of FY 1996

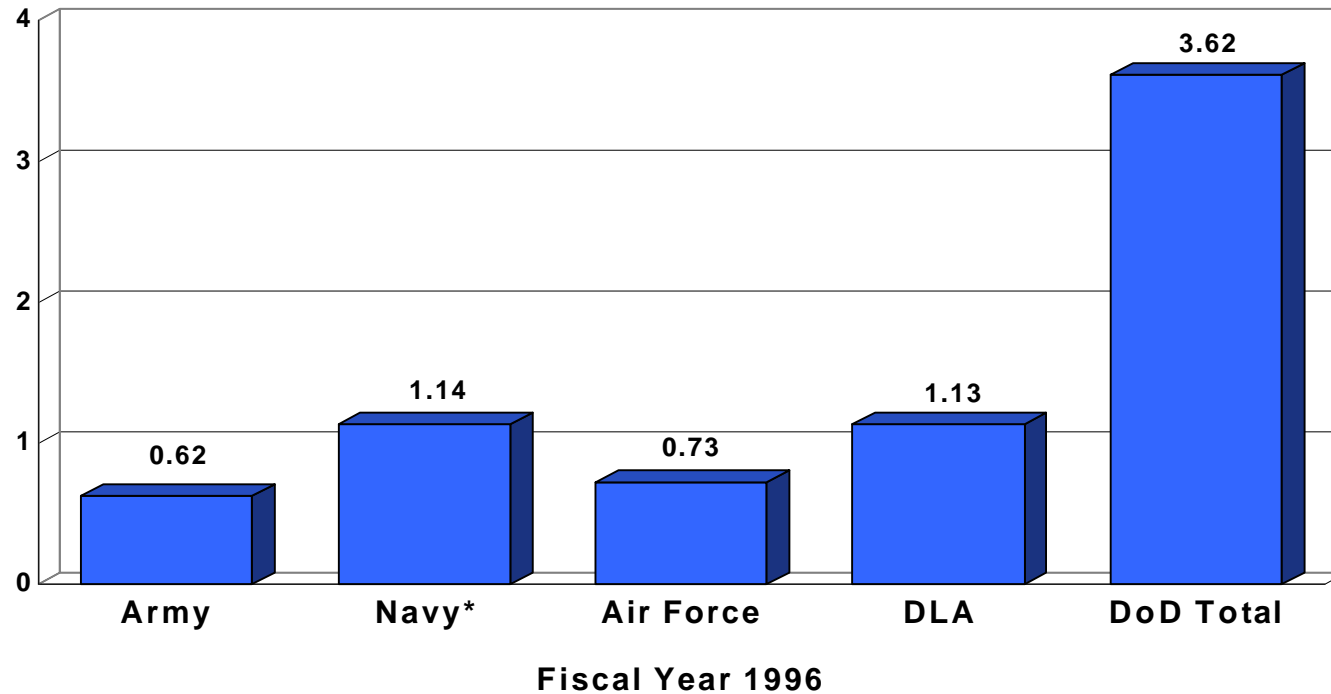
Inventory Control Point Plan



Source: Military Departments and DLA

Wholesale Supply Management Cost Of Operations

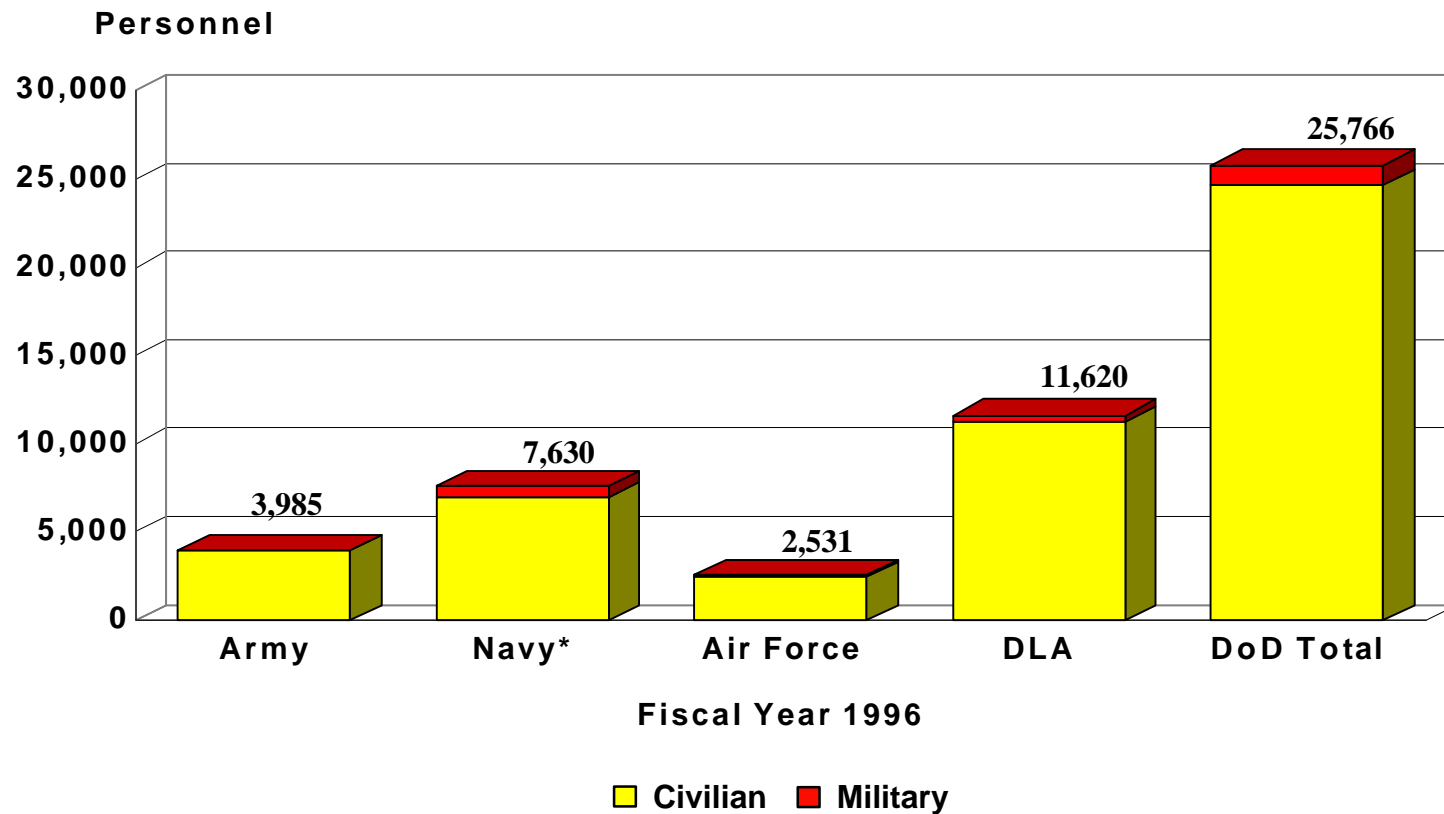
Current Year – \$ Billions



* Includes Marine Corps

Source: FY 1998/1999 *President's Budget Submissions*, February 1997

Wholesale Supply Management Personnel (Military and Civilian)

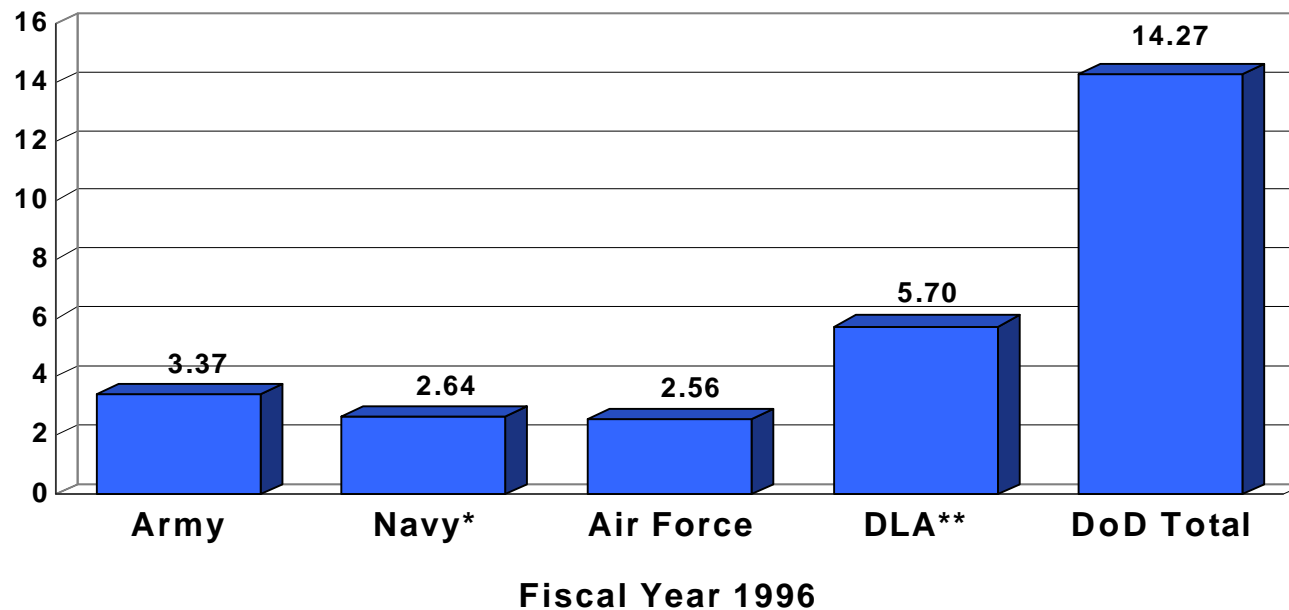


* Includes Marine Corps and Distribution Depots

Source: FY 1998/1999 *President's Budget Submissions*, February 1997

Wholesale Materiel Sales

Current Year – \$ Billions at Latest Acquisition Cost



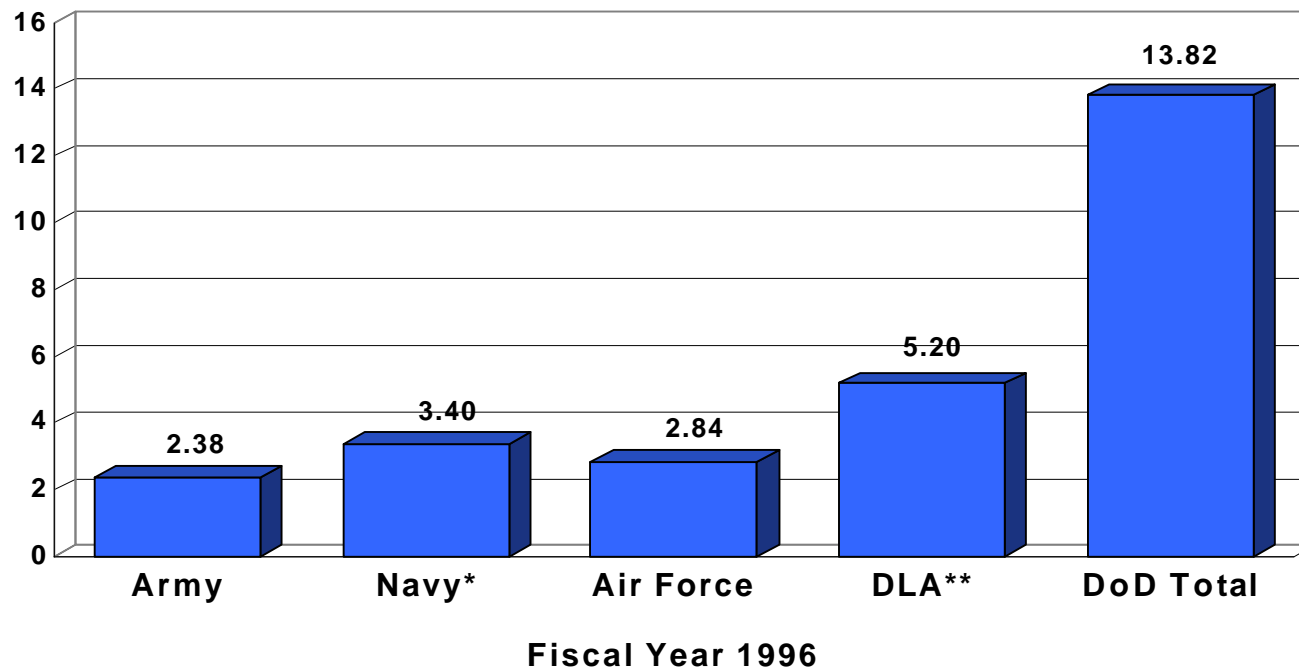
* Includes Marine Corps

** Does not include petroleum sales

Source: FY 1998/1999 *President's Budget Submissions*, February 1997

Wholesale Materiel Obligations

Current Year – \$ Billions at Latest Acquisition Cost



* Includes Marine Corps

** Does not include petroleum obligations

Source: FY 1998/1999 *President's Budget Submissions*, February 1997

Petroleum Summary

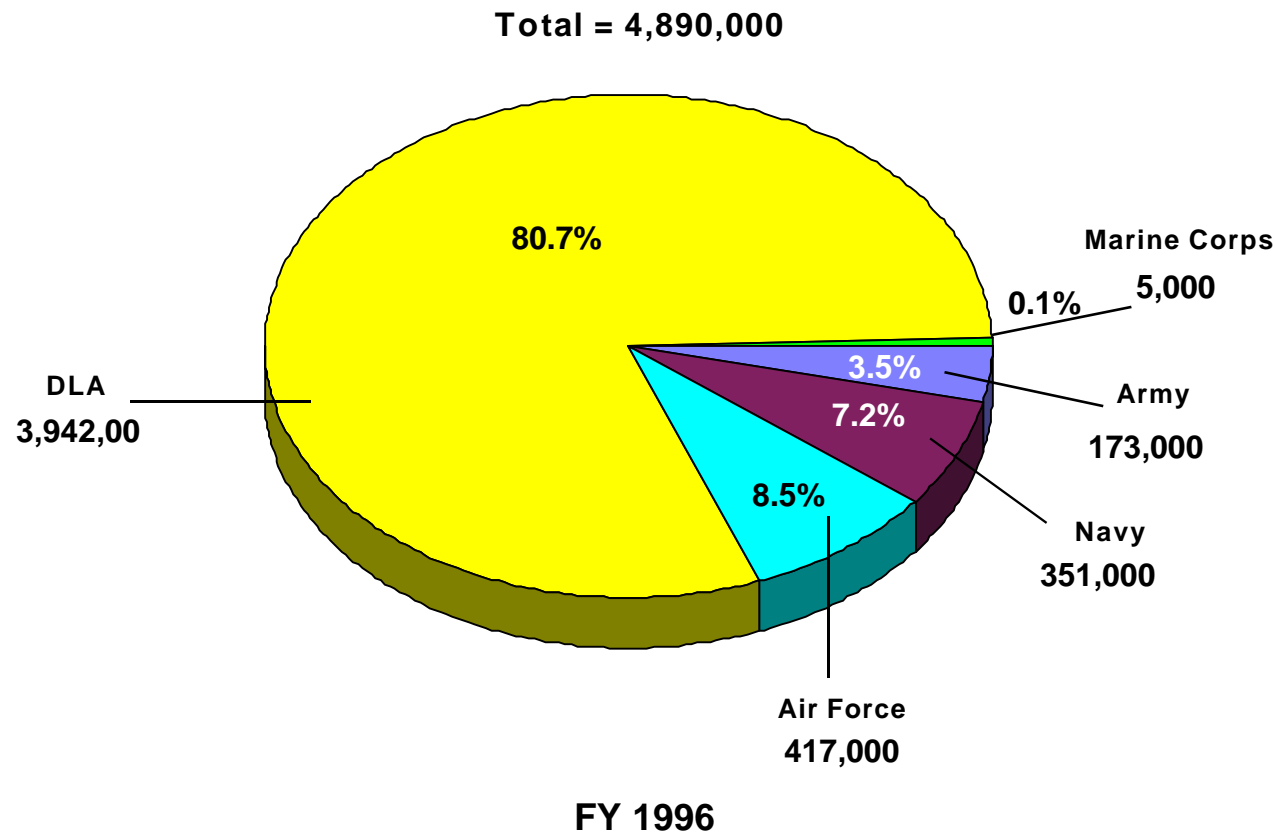
FY 1996
Current Year – \$ Billions

- Net Purchases at cost \$4.00*
- Net sales at cost \$3.98
- Ending inventory \$1.84

* Includes product, transportation, services, operations, and losses

Source: Defense Fuel Supply Center's Directorate of Resources Management

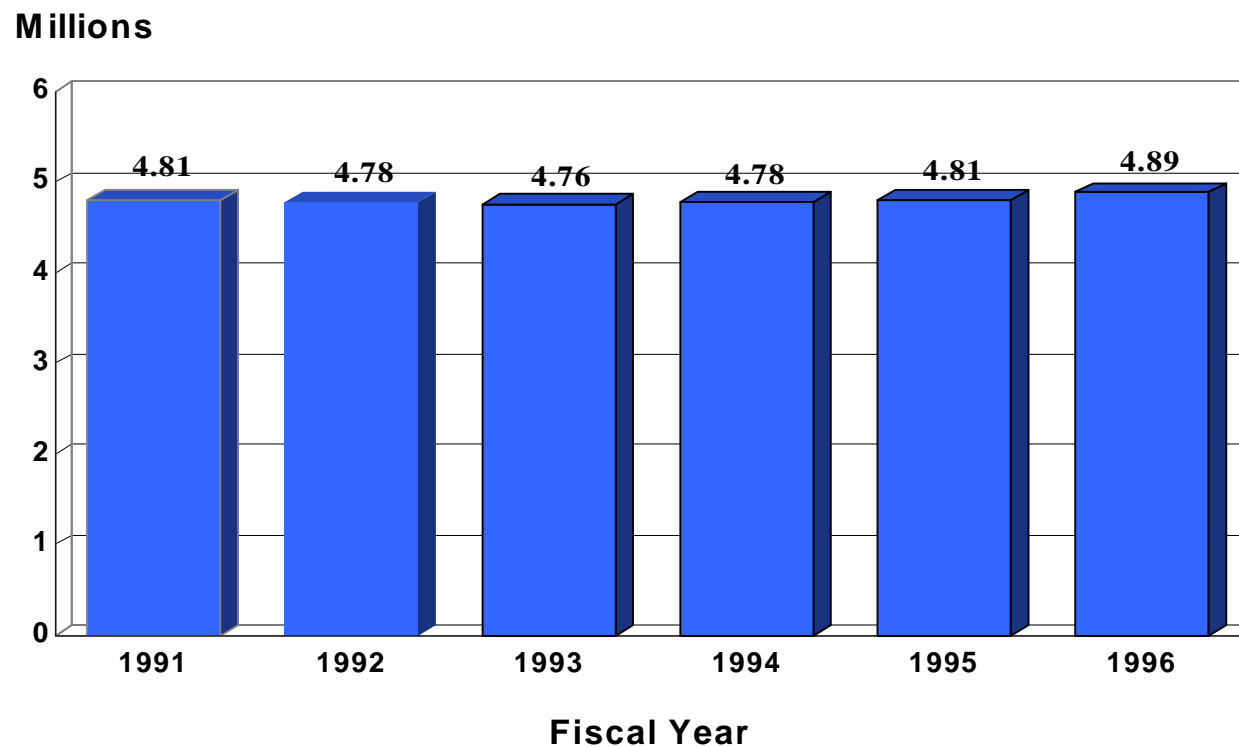
Number of DoD Items Managed by Component



Note: Year end total for Primary Control Activity Items

Source: Defense Logistics Information System

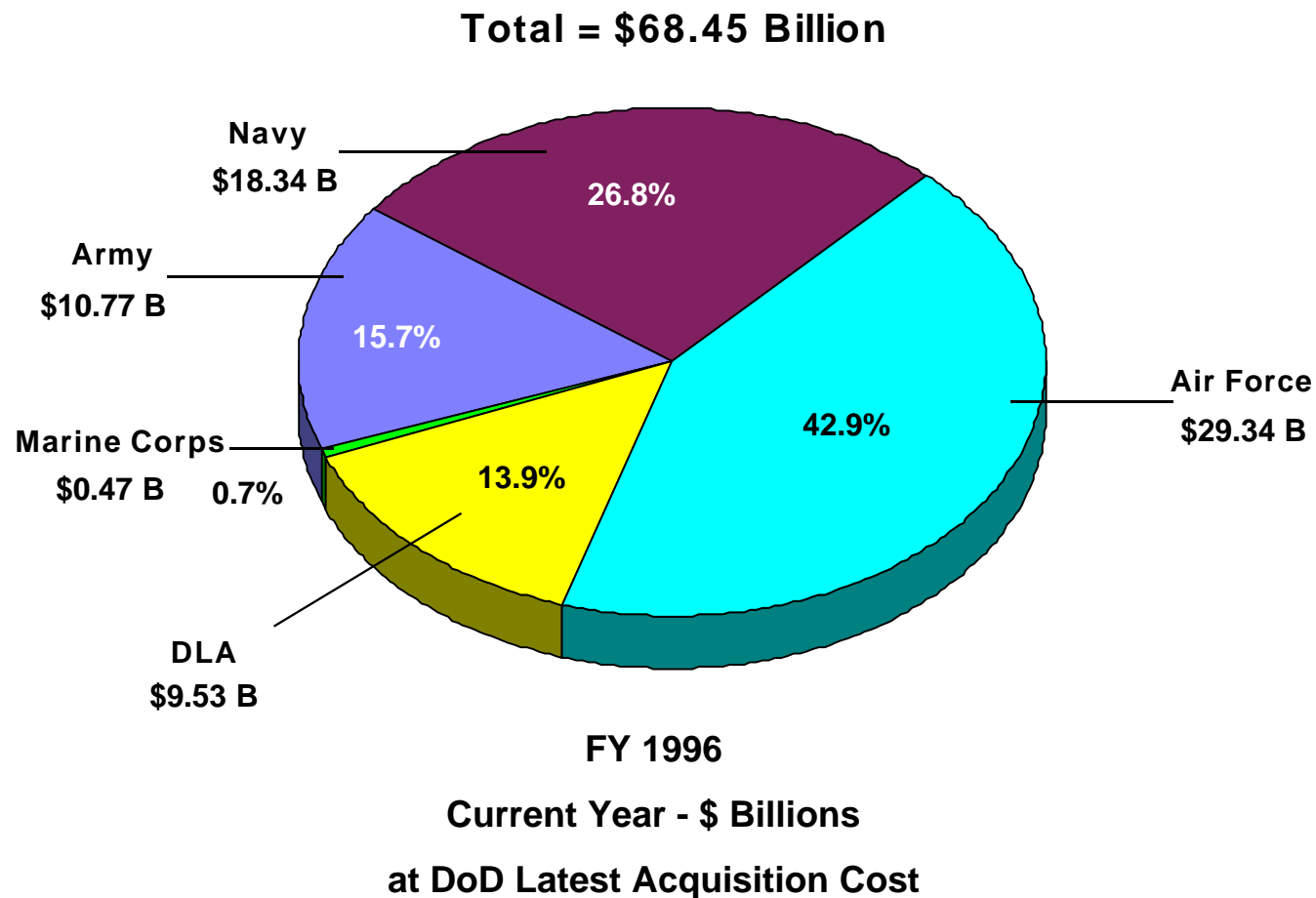
Number of DoD Items Managed



Note: Year end total for Primary Control Activity Items

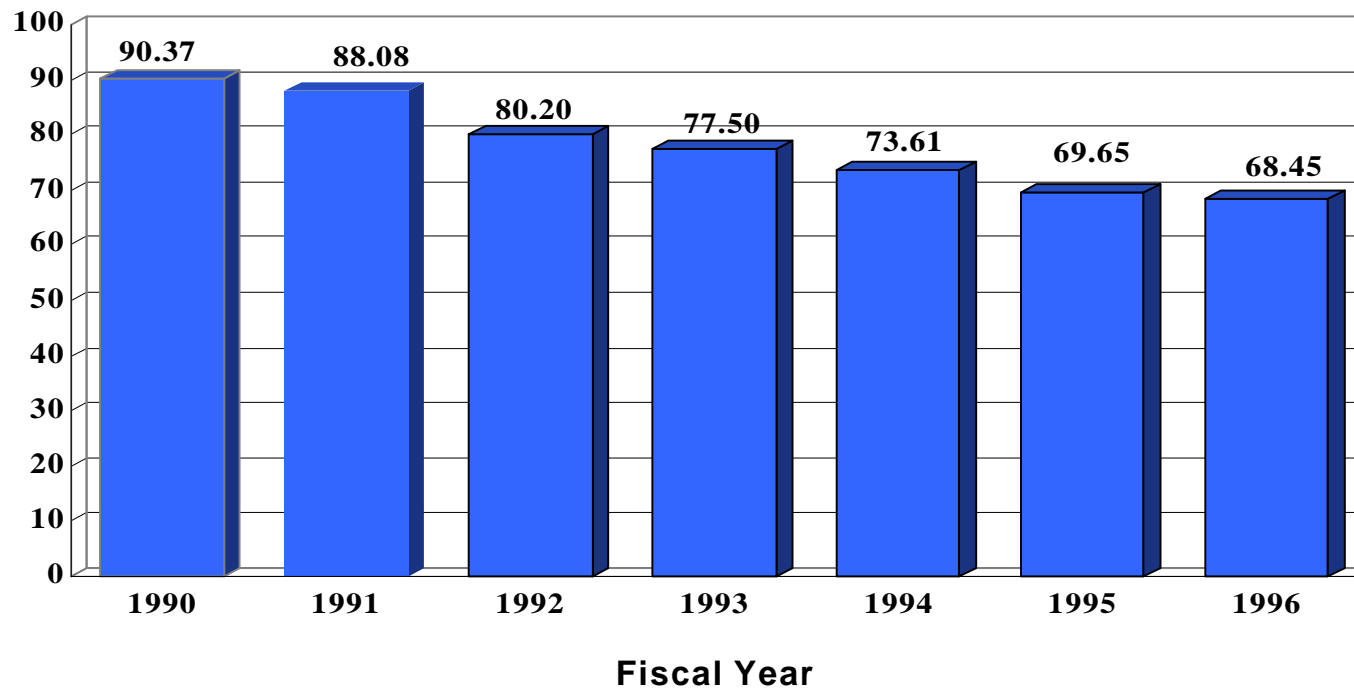
Source: Defense Logistics Information System

Secondary Item Inventory by Component

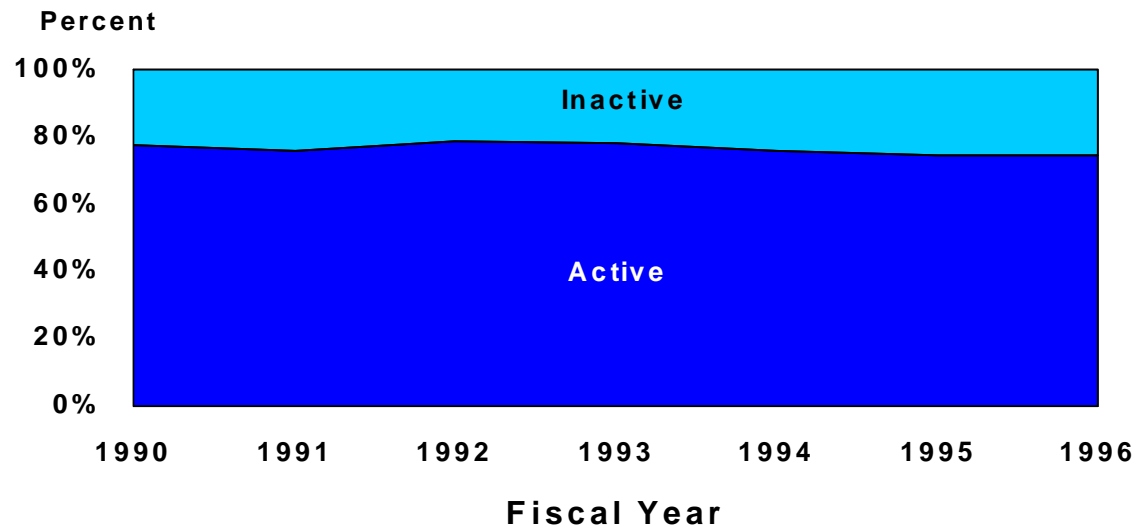


Secondary Item Inventory Value

Current Year – \$Billions at
DoD Latest Acquisition Cost



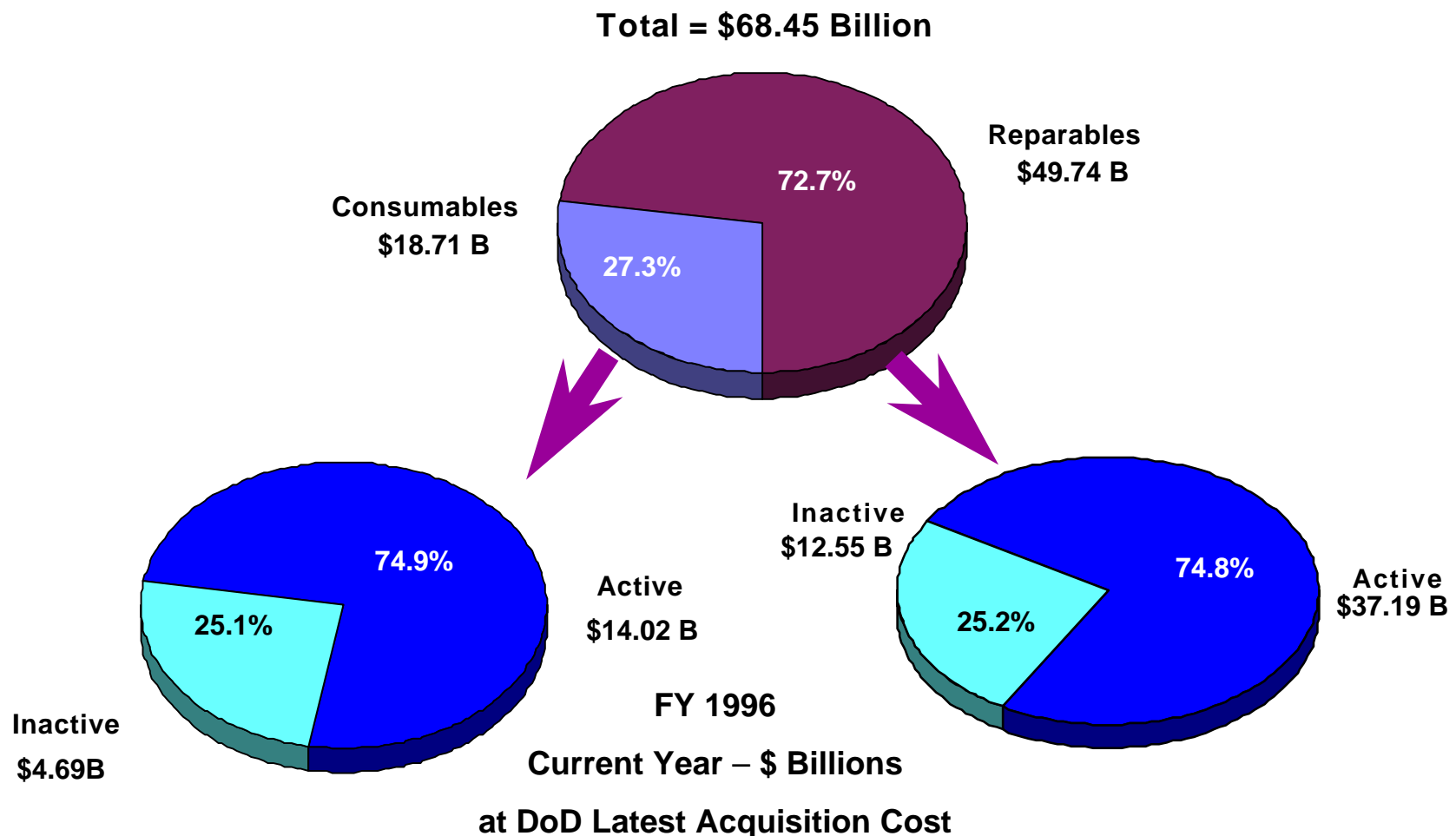
Active Inventory and Inactive Inventory to Total Inventory



Inventory	1990	1991	1992	1993	1994	1995	1996
Active	70.08	66.76	62.98	60.34	55.93	51.80	51.21
Inactive	20.29	21.32	17.22	17.16	17.68	17.85	17.24
Total	90.37	88.08	80.20	77.50	73.61	69.65	68.45

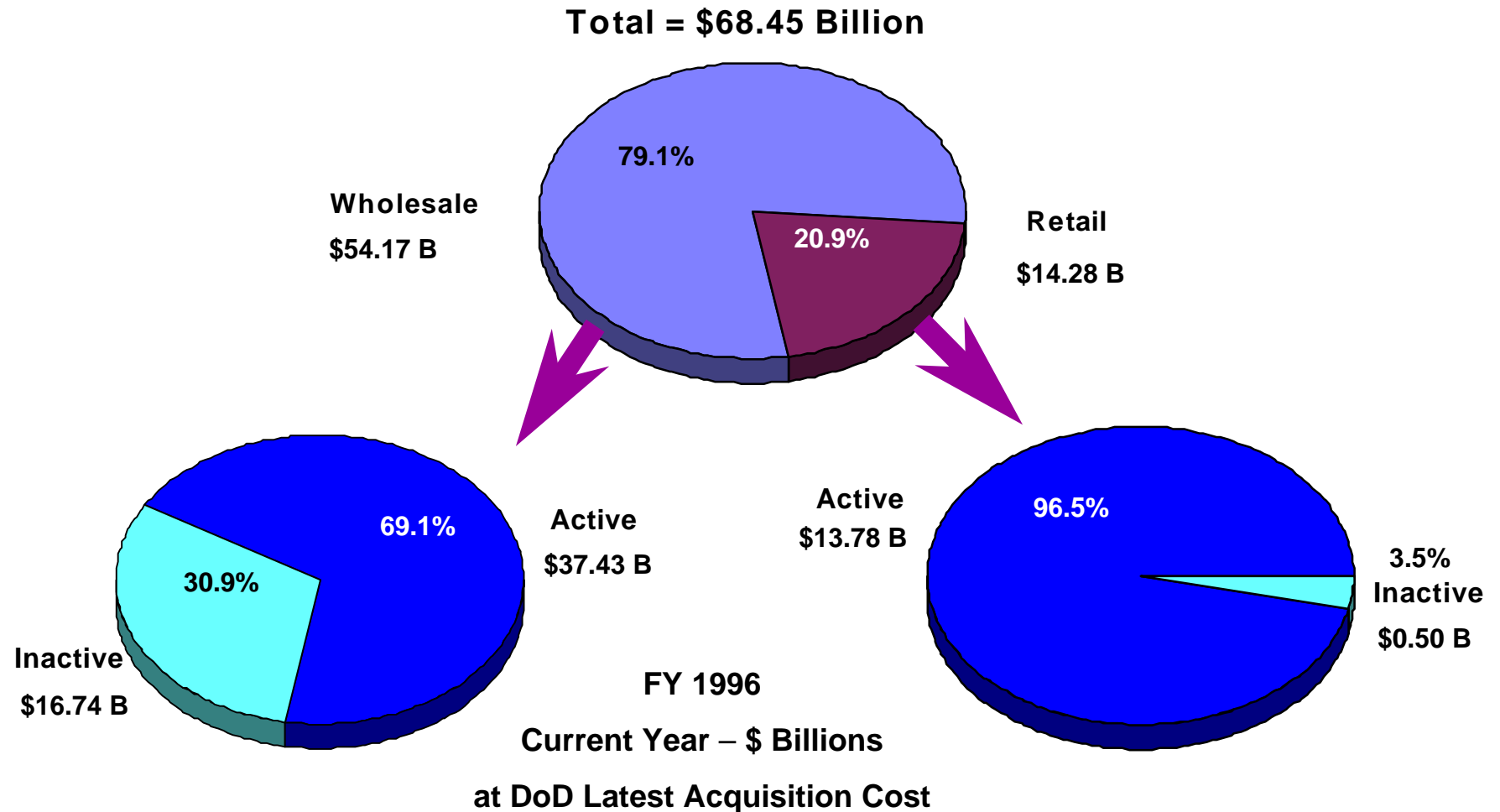
Current Year – \$ Billions at DoD Latest Acquisition Cost Method of Valuation

Secondary Item Inventory by Type



Source: *Supply System Inventory Report* as of September 30, 1996

Secondary Item Inventory by Management Level

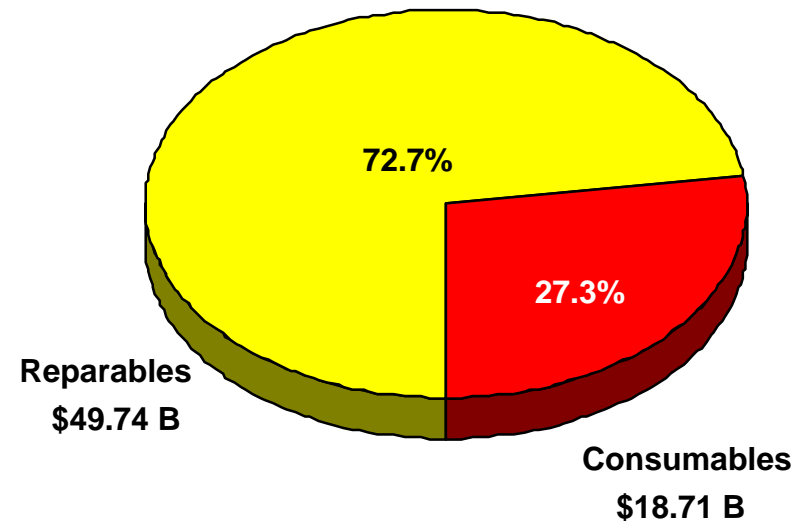
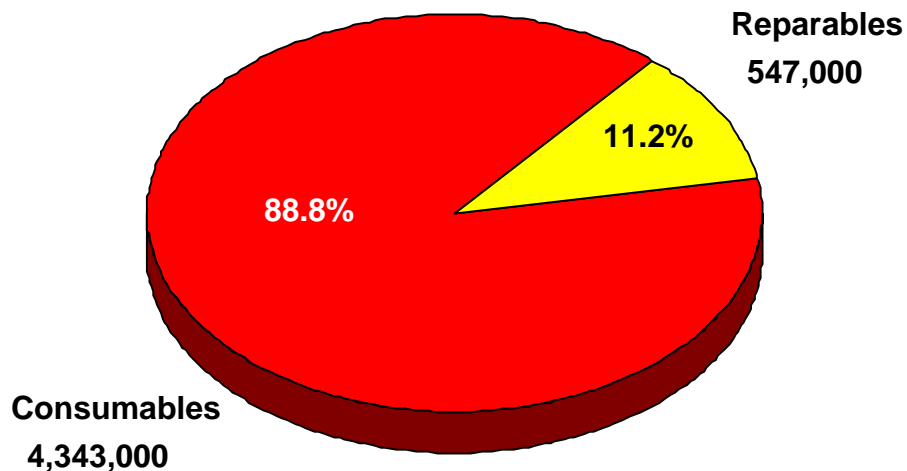


Source: *Supply System Inventory Report* as of September 30, 1996

DoD Managed NSN's and Value by Type

Items : 4,890,000

Value \$68.45

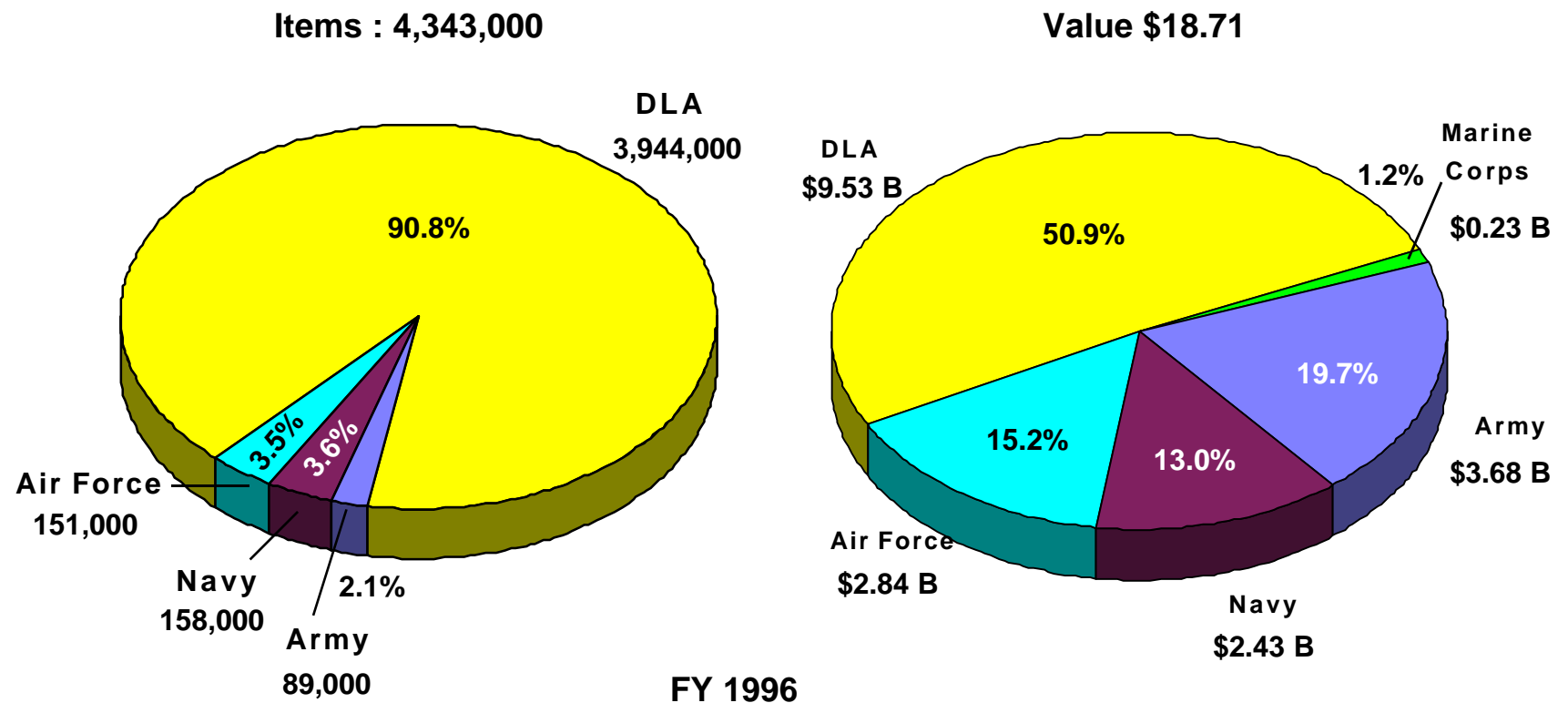


FY 1996

Note: Billions at DoD Latest Acquisition Cost

Source: Defense Logistics Information System and *Supply System Inventory Report* as of September 30, 1996

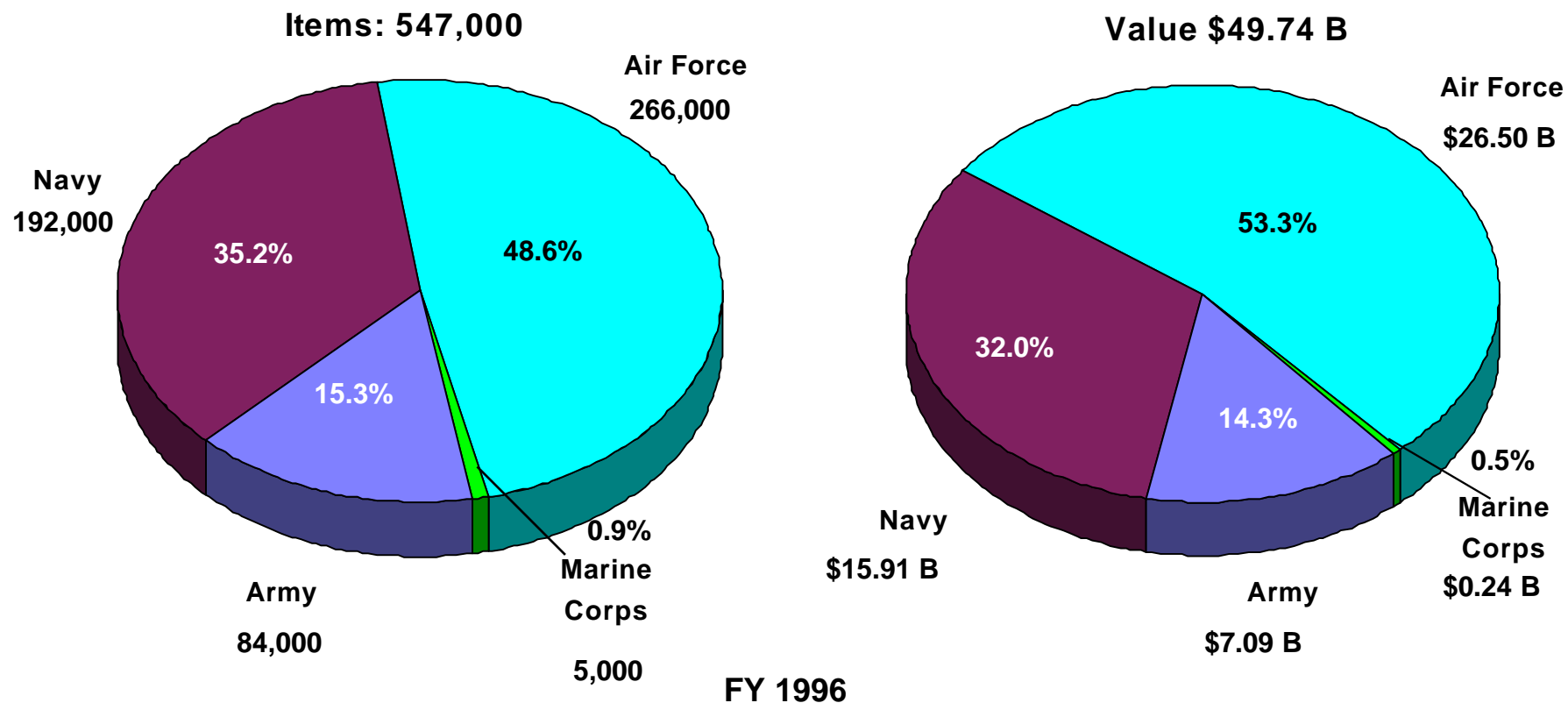
Number of Consumable Items and Value by Component



Note: Billions at DoD Latest Acquisition Cost Method of Valuation

Source: Defense Logistics Information System and *Supply System Inventory Report* as of September 30, 1996

Number of Reparable Items and Value by Component

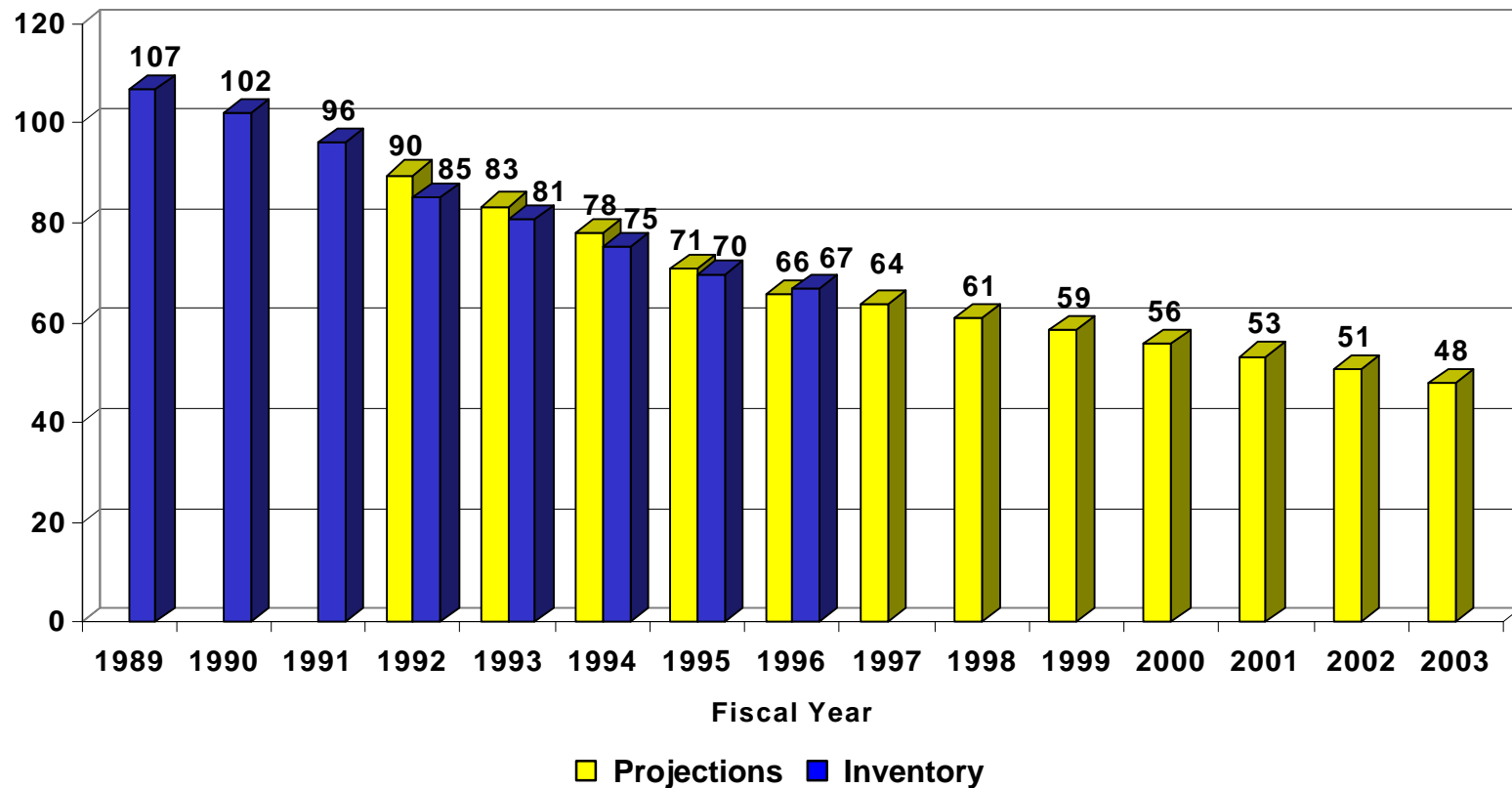


Note: Billions at DoD Latest Acquisition Cost

Source: Defense Logistics Information System and *Supply System Inventory Report* as of September 30, 1996

Inventory Goals vs. Inventory

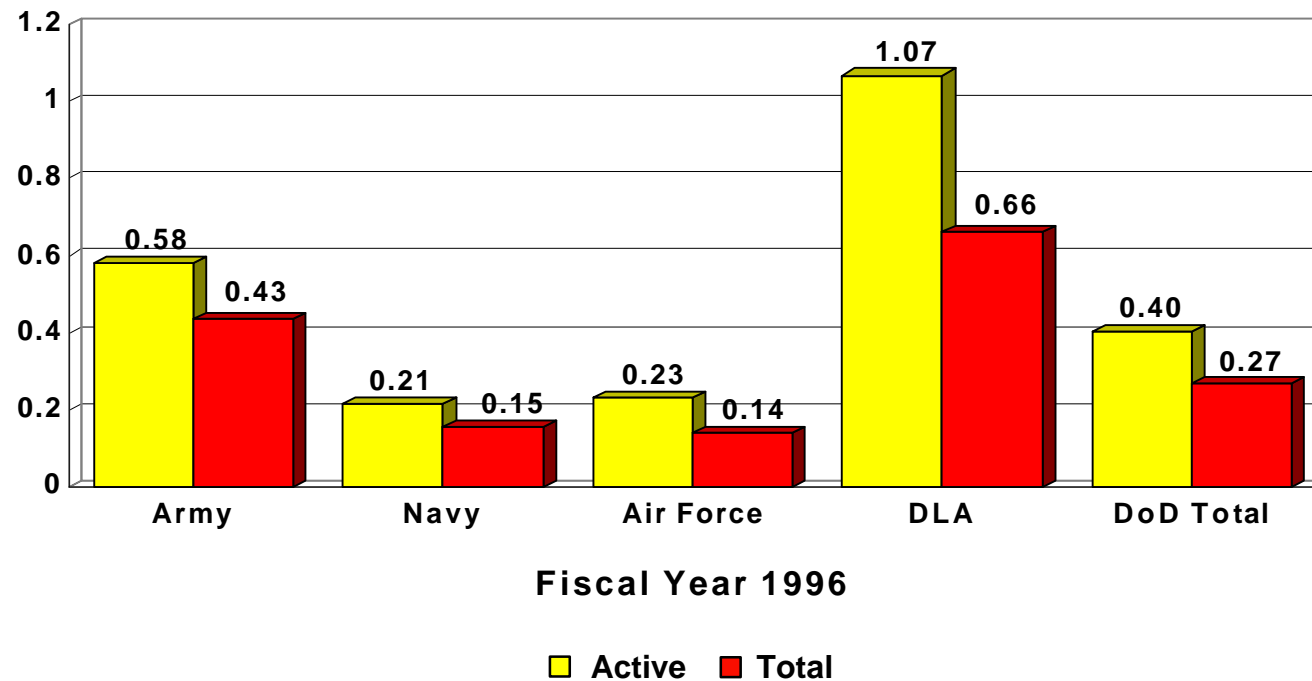
Constant FY 1995 Dollars in Billions at DoD's Latest Acquisition Cost



Source: *Supply System Inventory Report* as of September 30, 1996, and *DoD Logistics Strategic Plan*, Edition 1996/1997 (LSP), revised to reflect updated goals based upon more recent actual data, new force structure data, consumable item transfer data, and use of 1998 deflator tables.

Wholesale Inventory Turnover

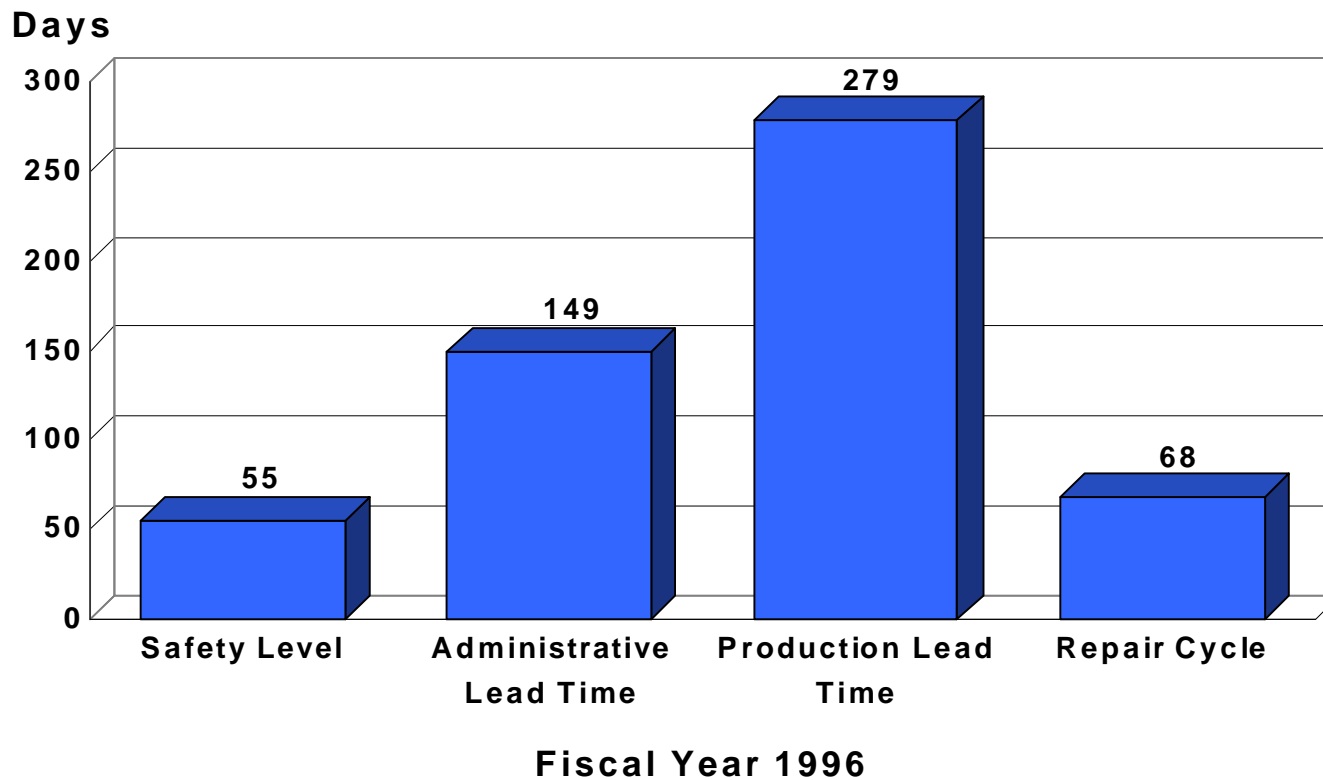
Turnovers per Year



Note: Excludes war reserves

Source: *Supply System Inventory Report* as of September 30, 1996, and *FY 1998/99 President's Budget Submissions*, February 1997

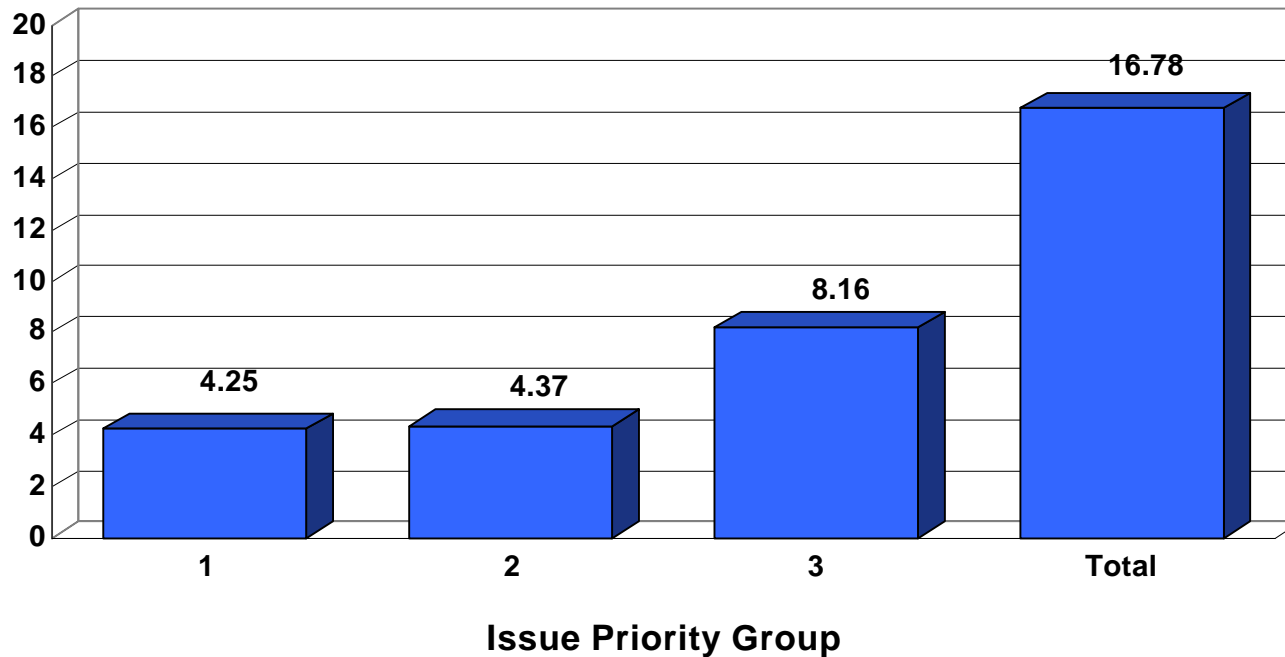
Wholesale Inventory Requirement Levels



Source: FY1998/1999 Defense Business Operations Fund Submissions

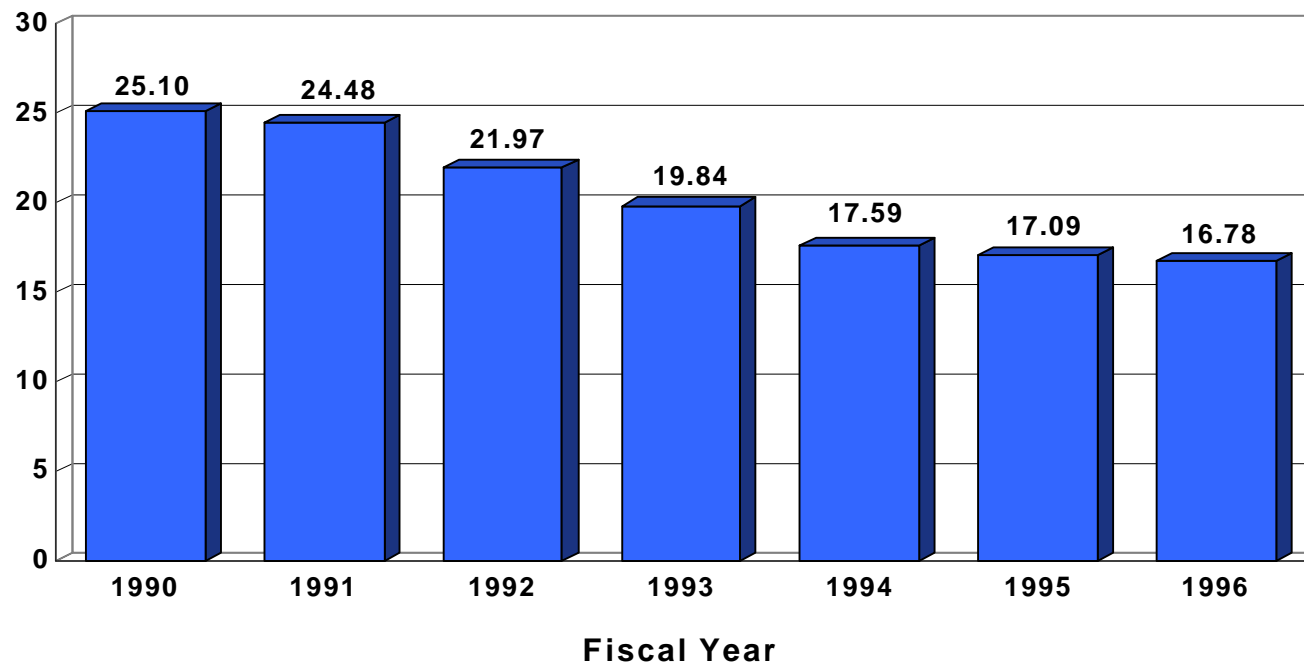
Requisitions for Wholesale Stocked Items

Millions of Requisitions



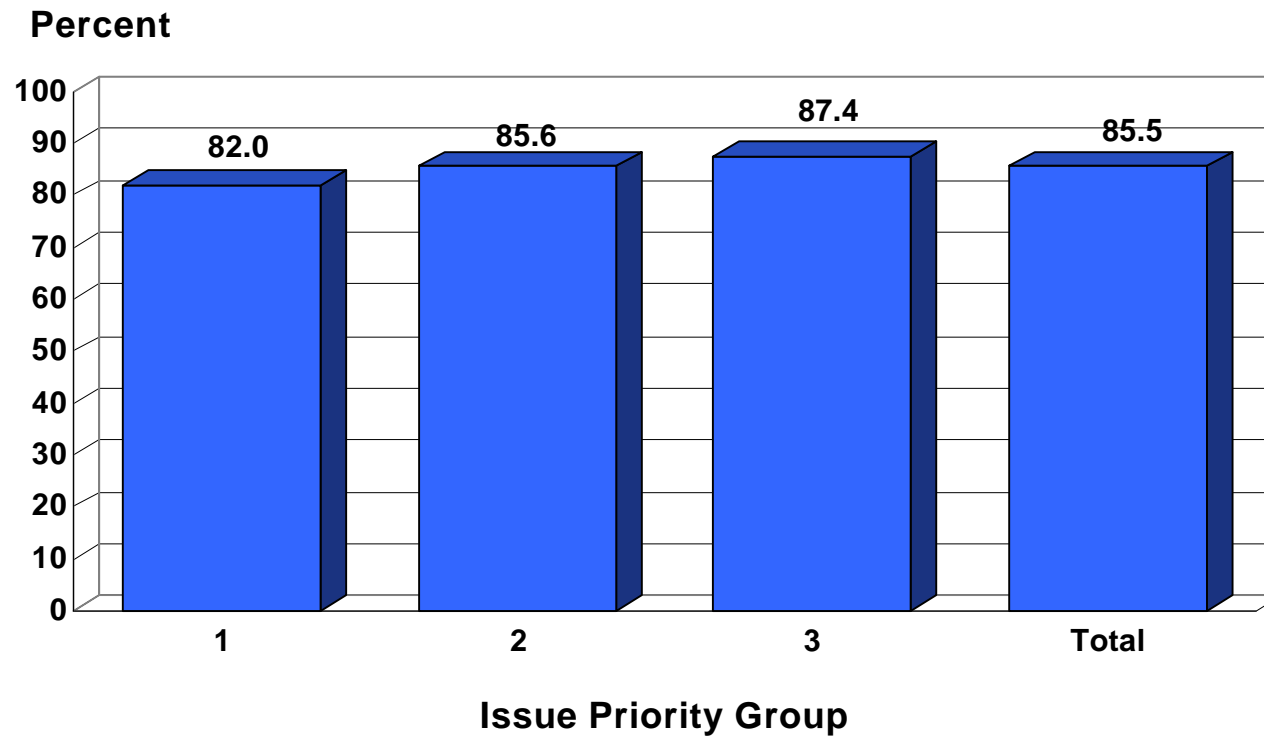
Requisitions for Wholesale Stocked Items by Year

Millions of Requisitions



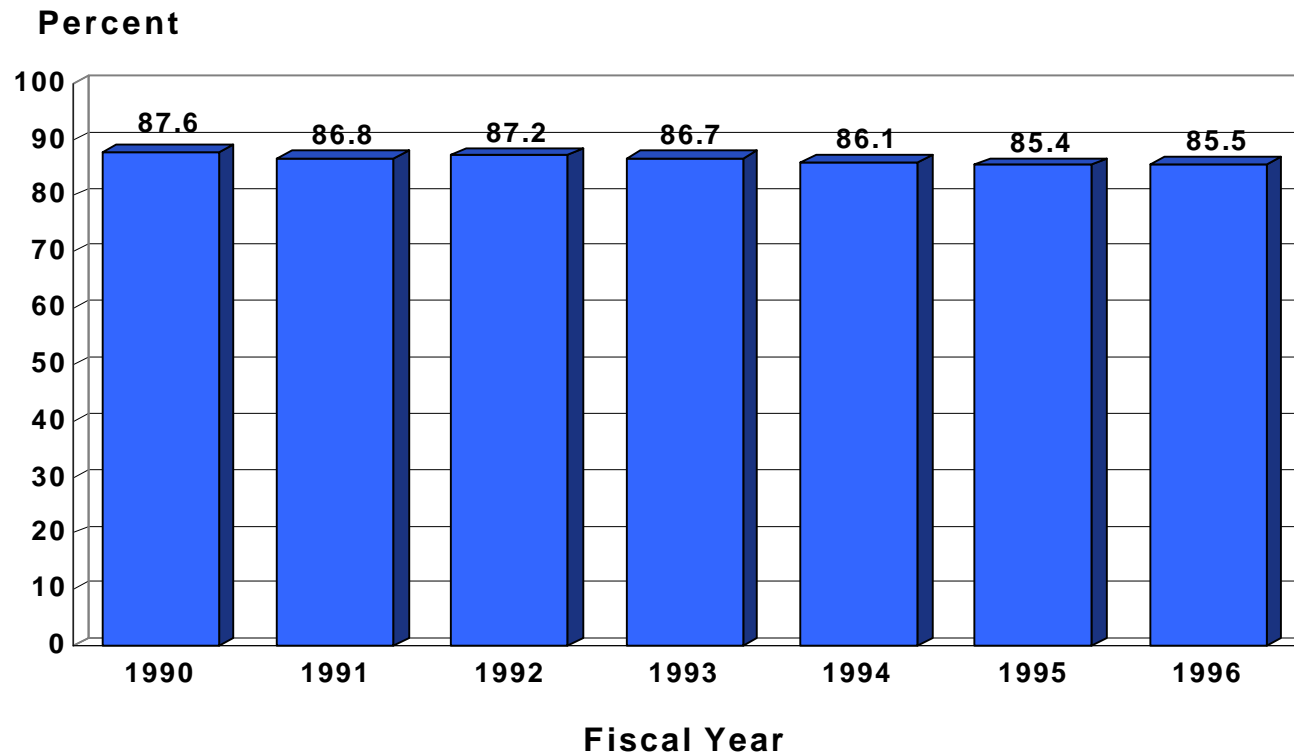
Source: *Supply Availability Workload Analysis Reports*, FY 1990 to FY 1996

Stock Availability for Wholesale Stocked Items



Source: *Supply Availability Workload Analysis Report*, FY 1996

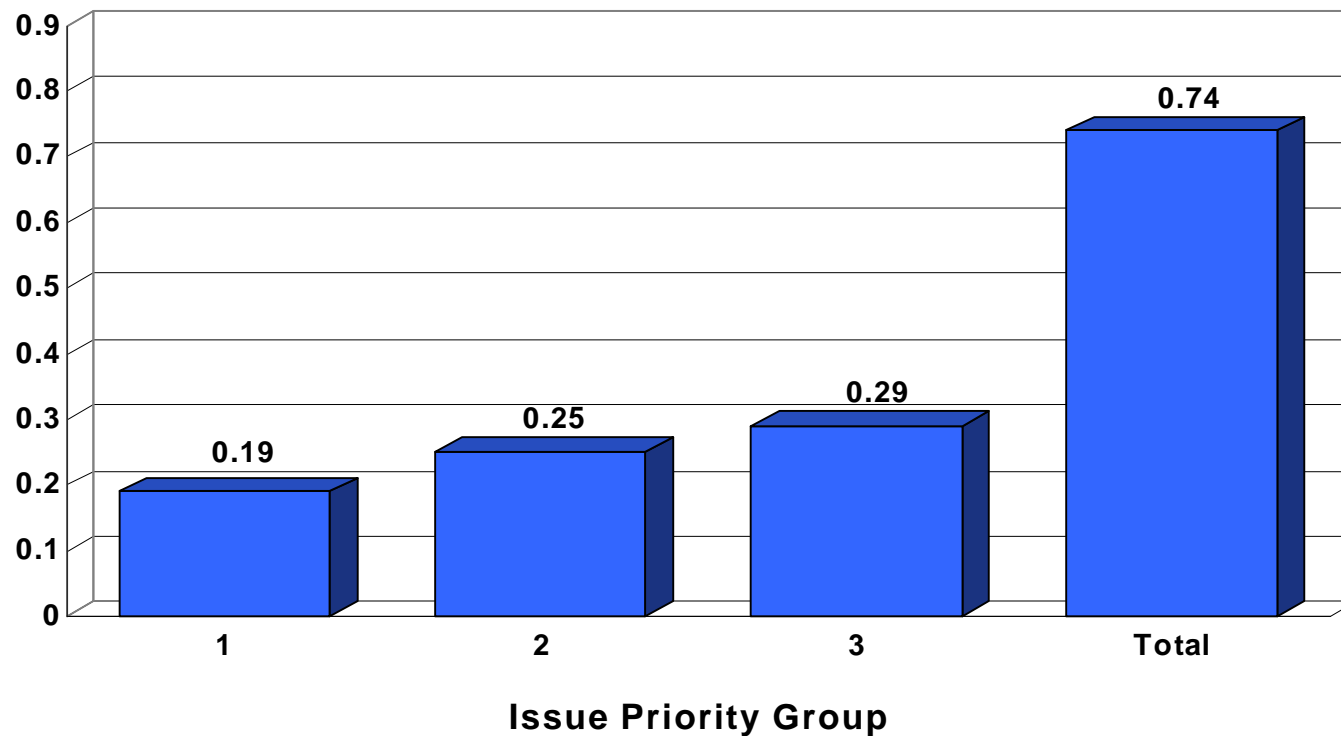
Stock Availability for Wholesale Stocked Items by Year



Source: *Supply Availability Workload Analysis Reports*, FY 1990 to FY 1996

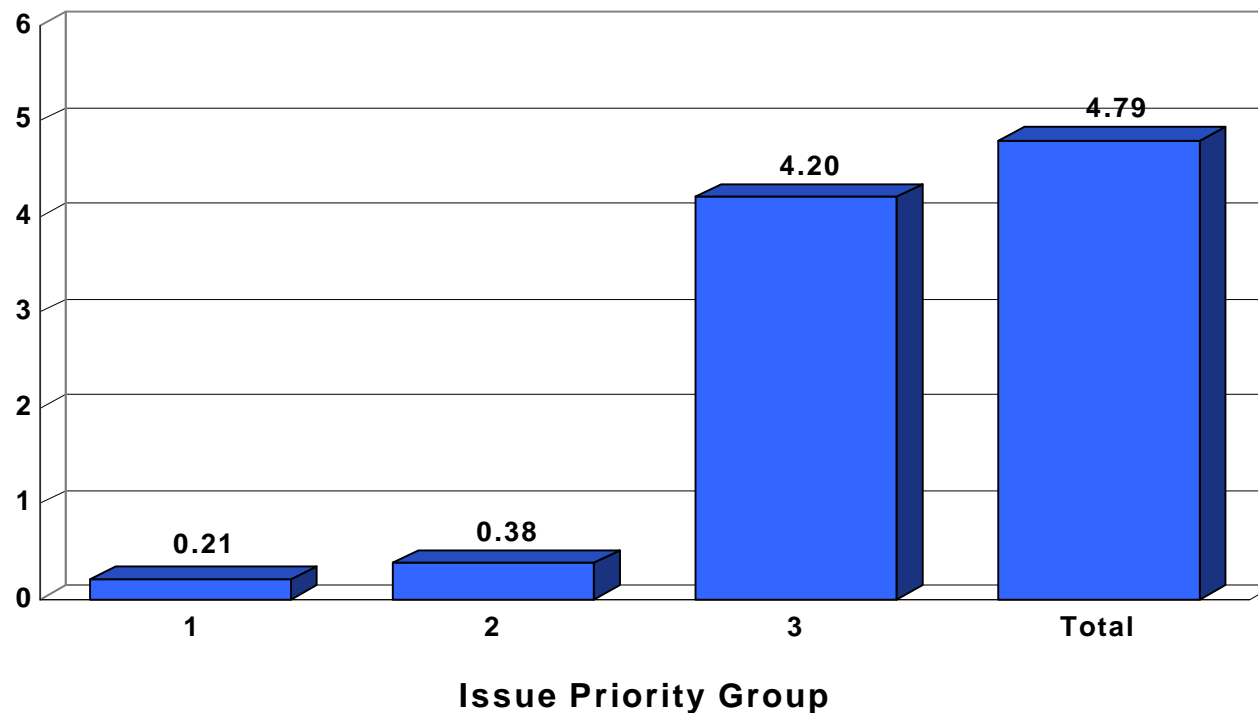
Back Orders for Wholesale Stocked Items at Year End

Millions of Requisitions



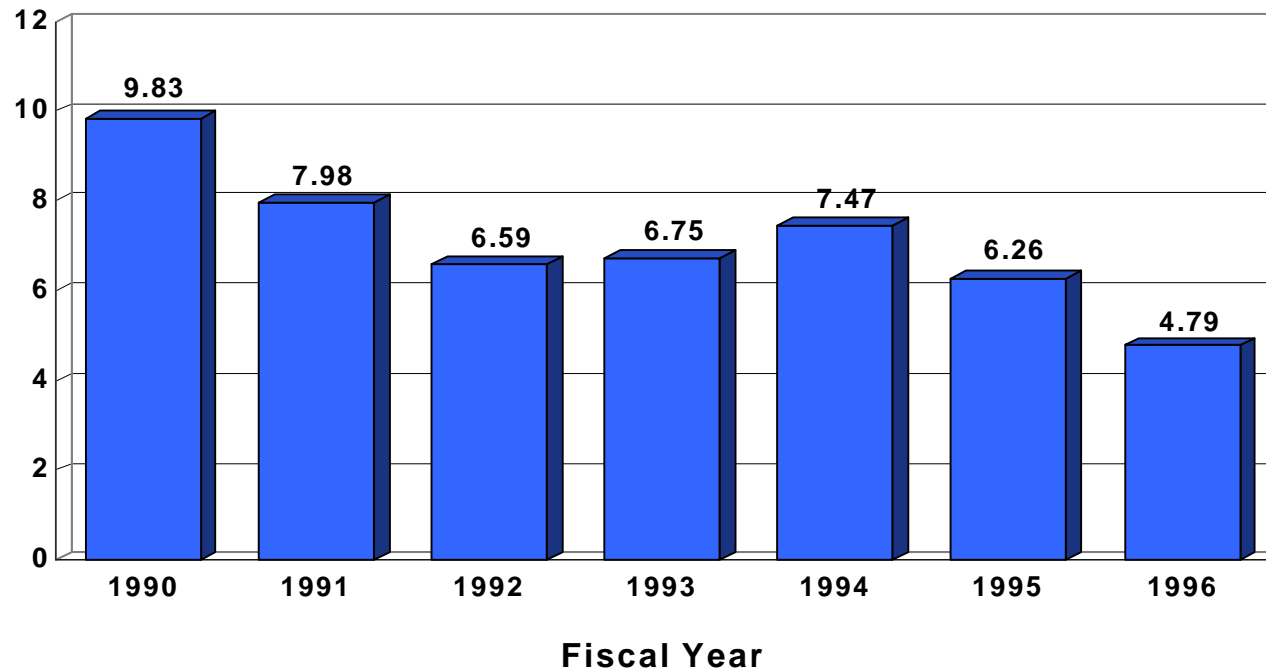
Requisitions for Wholesale Non-Stocked Items

Millions of Requisitions



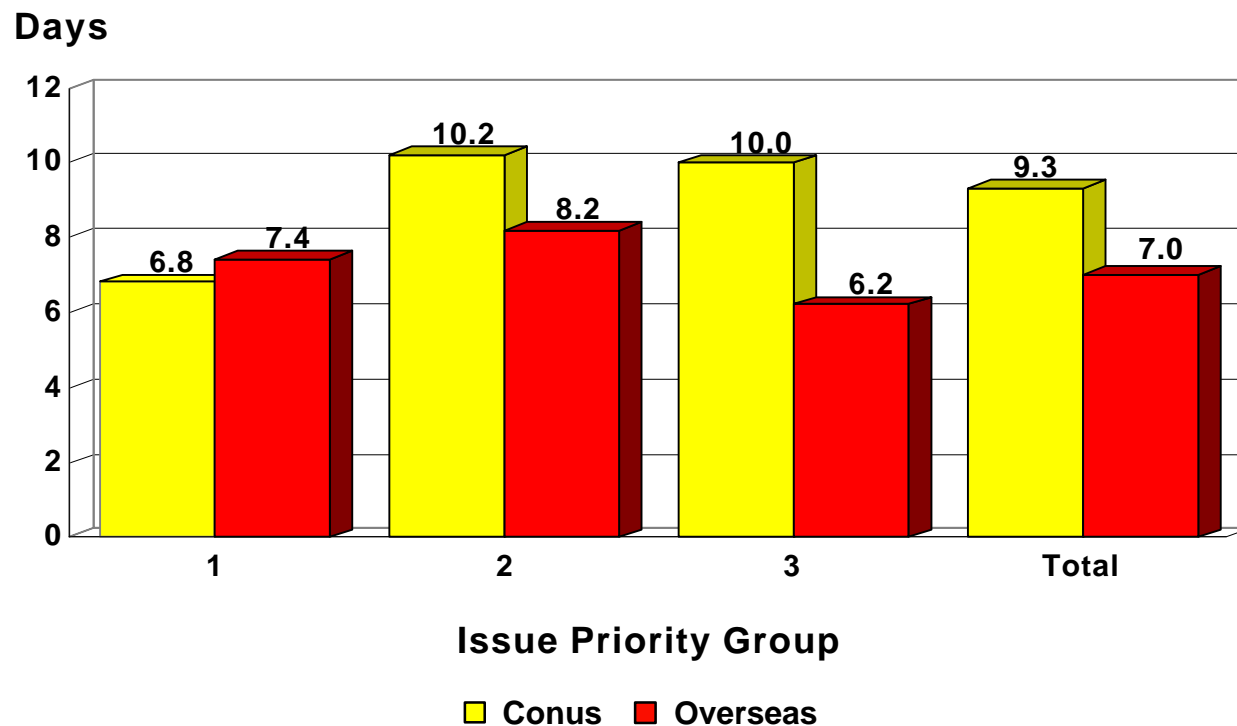
Requisitions for Wholesale Non-Stocked Items by Year

Millions of Requisitions

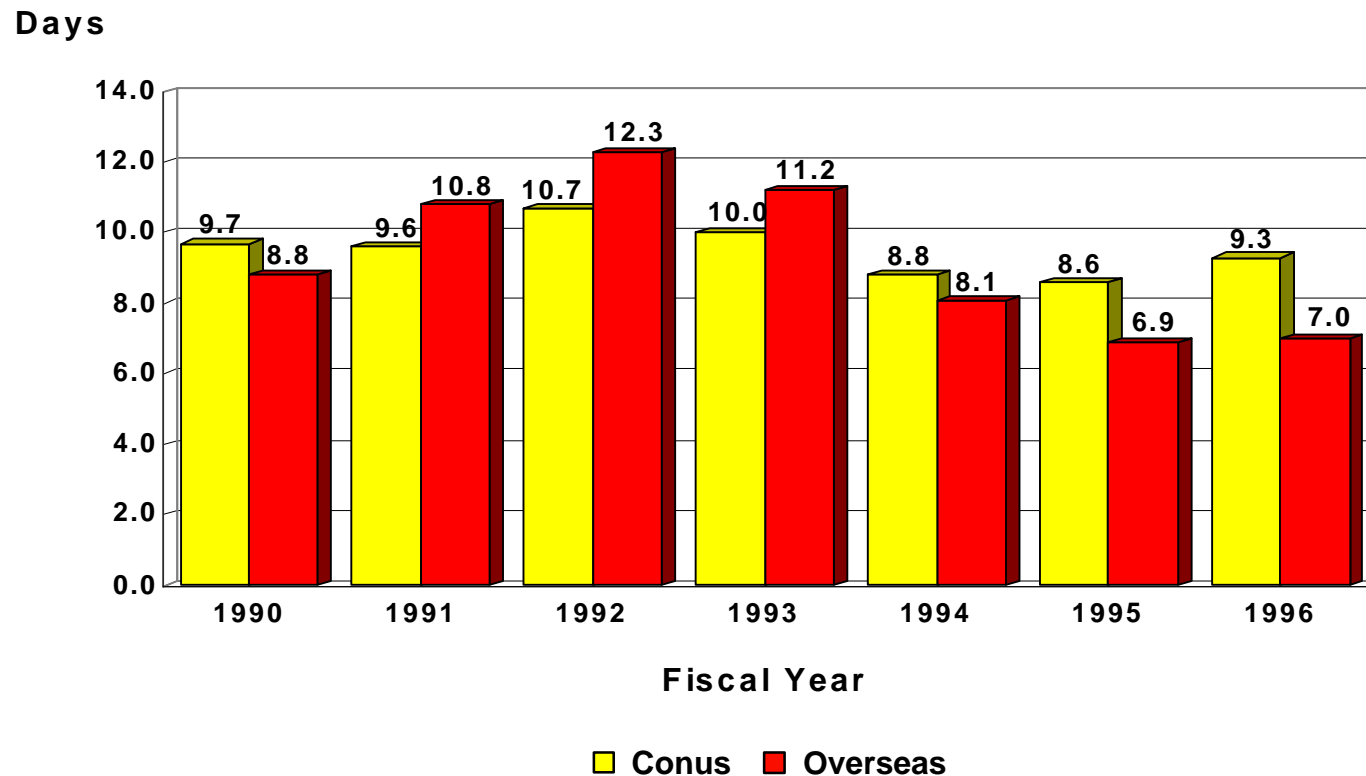


Source: *Supply Availability Workload Analysis Reports*, FY 1990 to FY 1996

Time for ICP to Receive Requisition from User

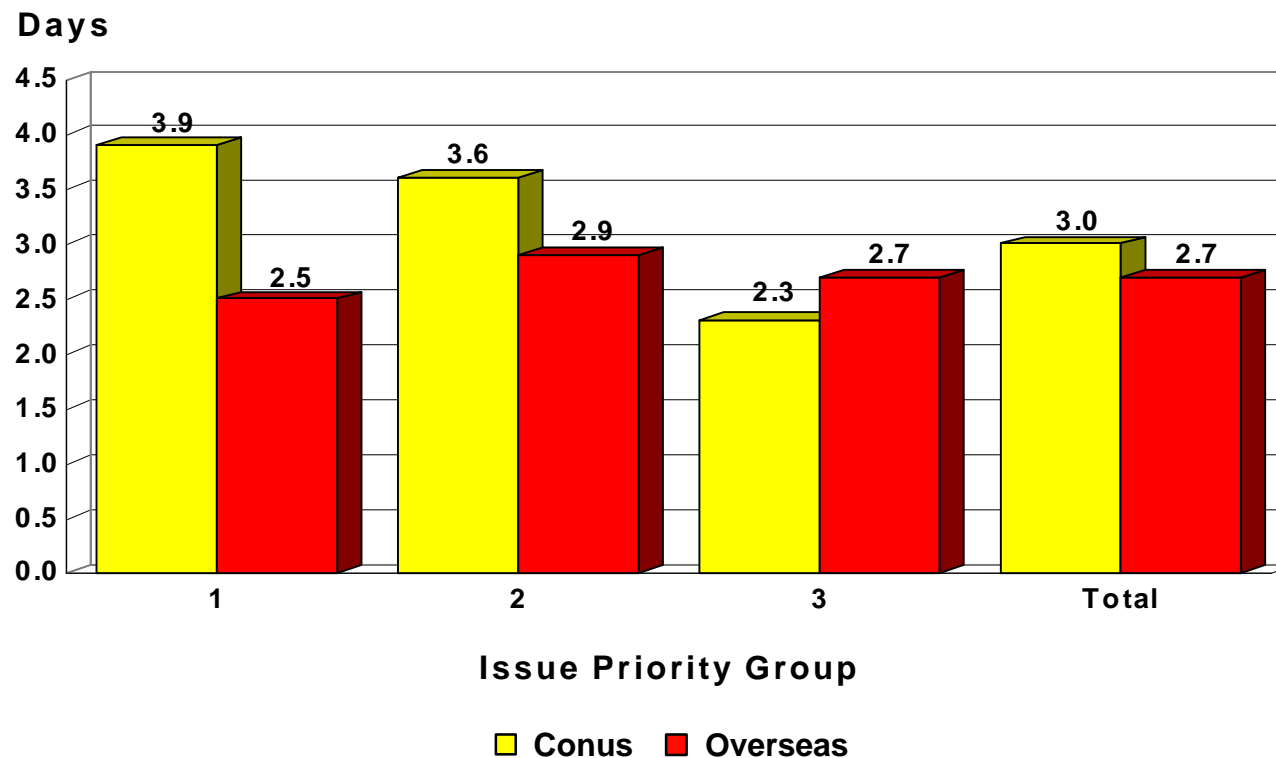


Time for ICP to Receive Requisition from User by Year

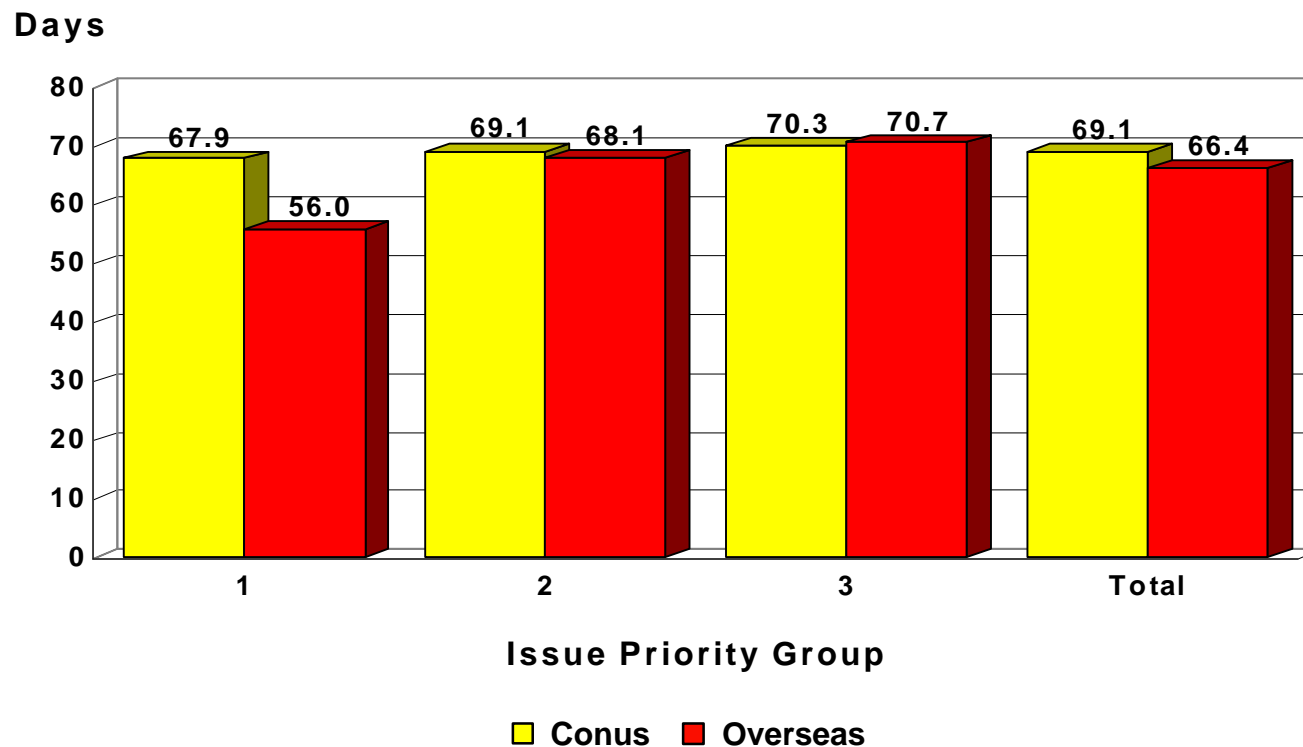


Source: *Requisition Submission and ICP and Depot Processing Time Reports*, FY 1990 to FY 1996

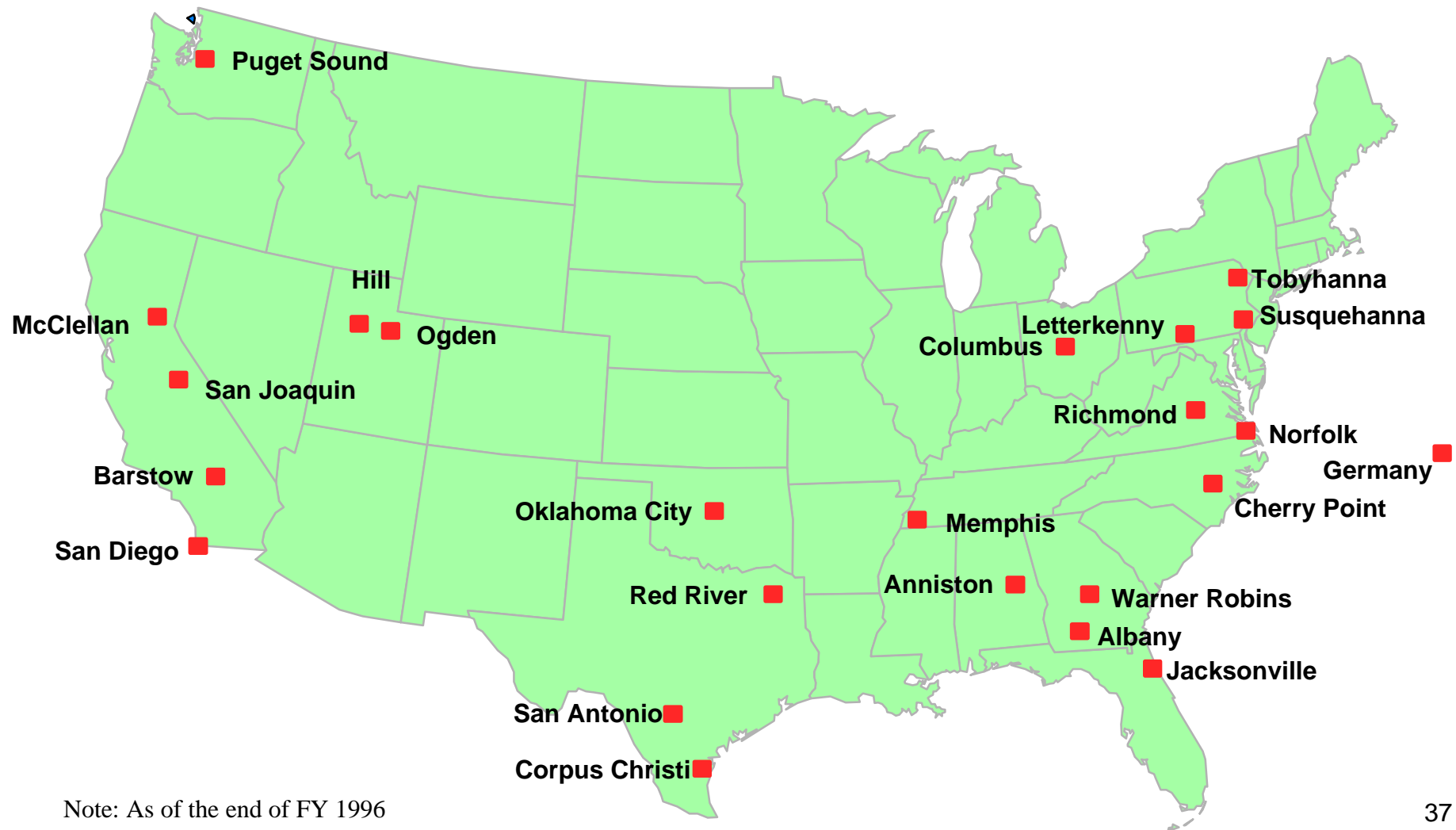
ICP Time to Process Requisition for Items With Stock On Hand



ICP Time to Process Requisition for Items Without Stock On Hand

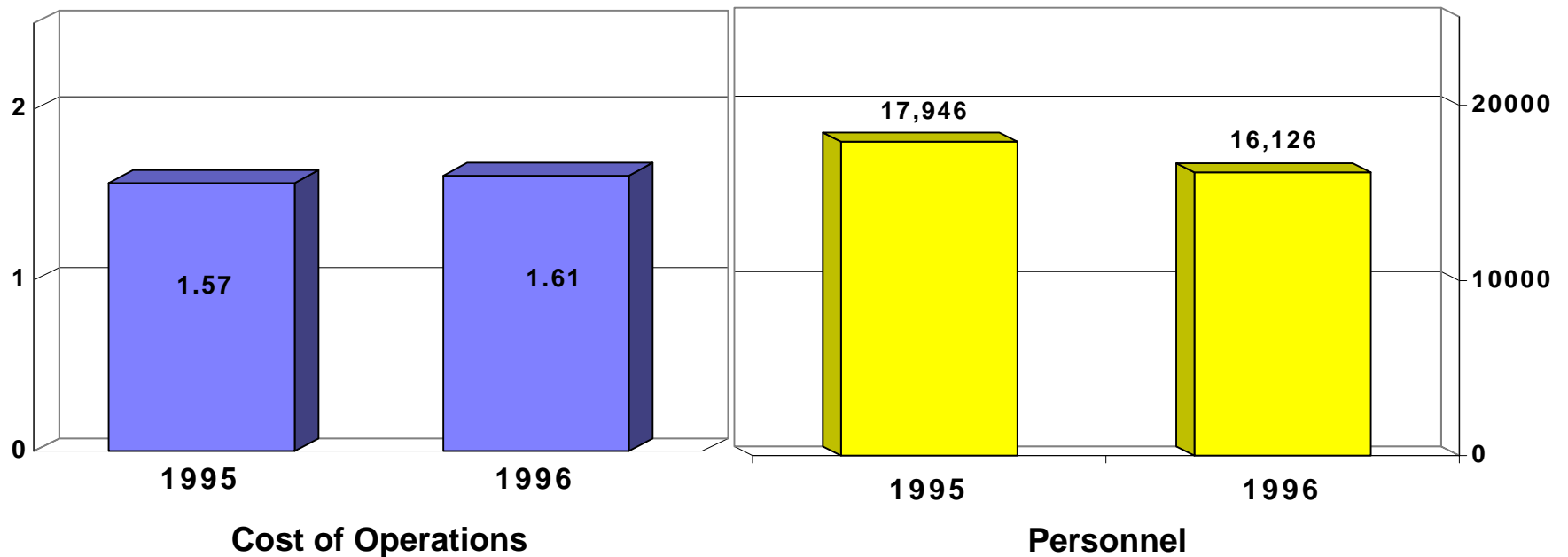


Distribution Storage Locations



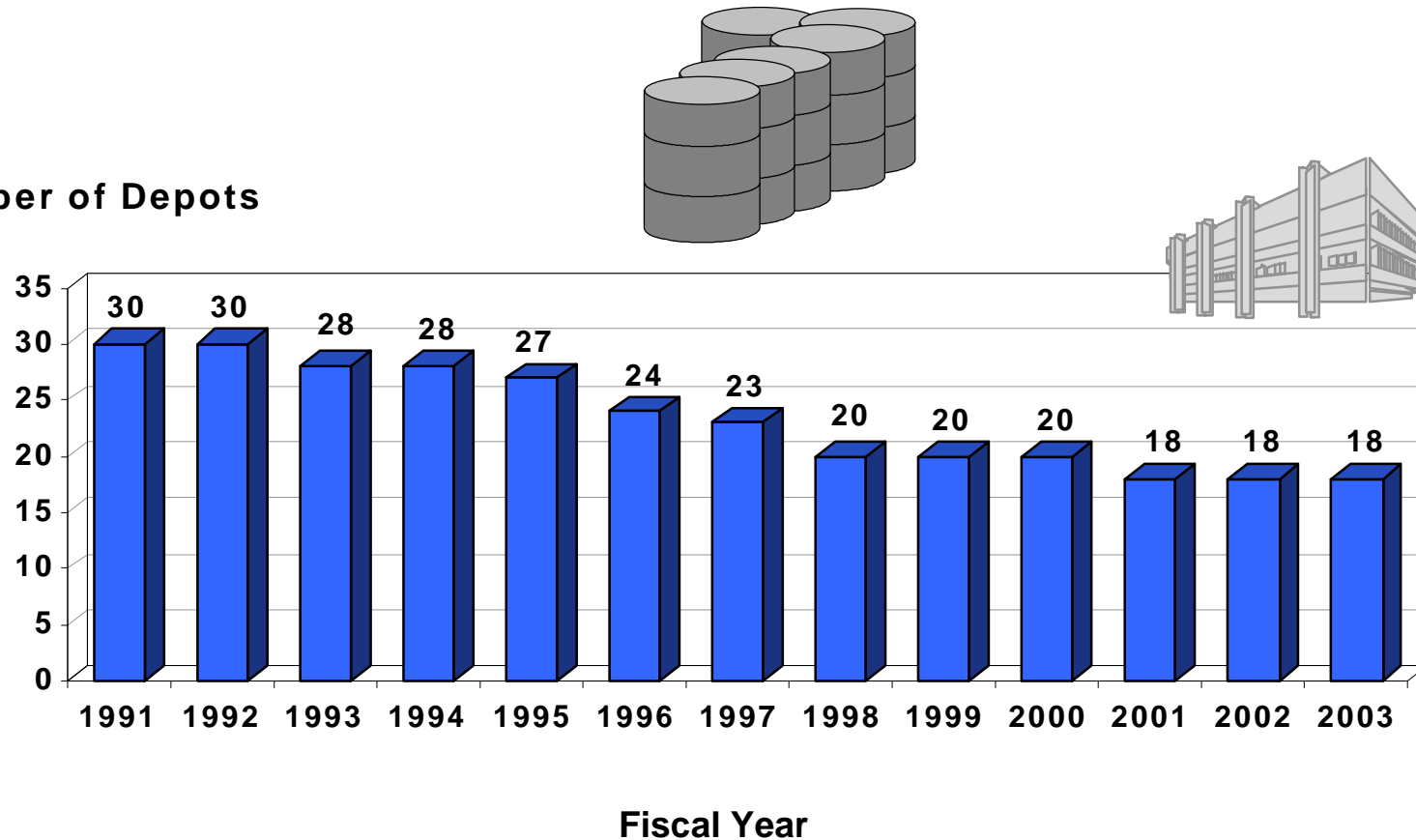
Distribution Management Cost of Operations and Personnel

Current Year - \$ Billions



Distribution Depots Plan

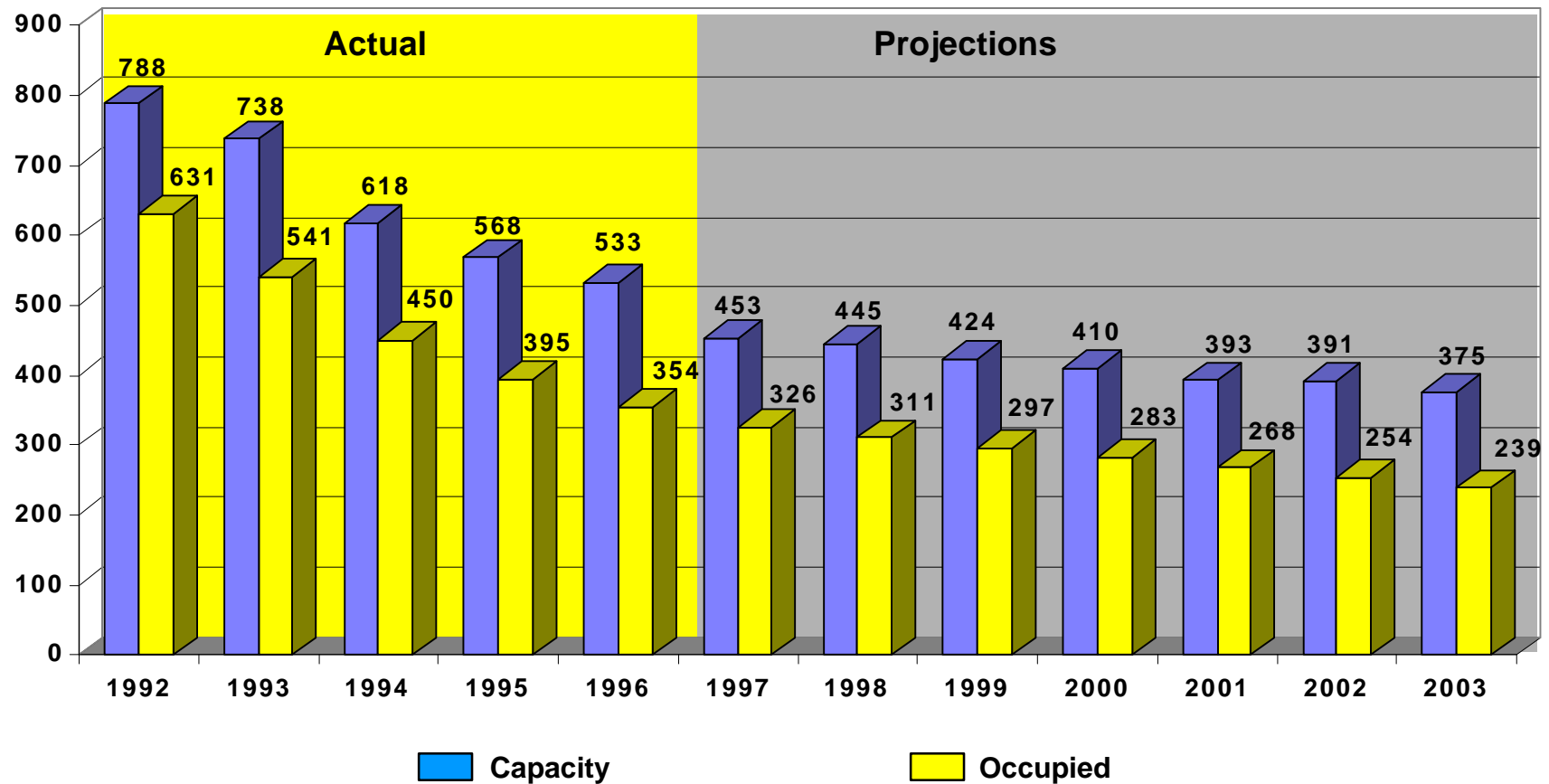
Number of Depots



Source: *DLA's 1996 Storage Space Management Plan*, February 1996

Storage Space

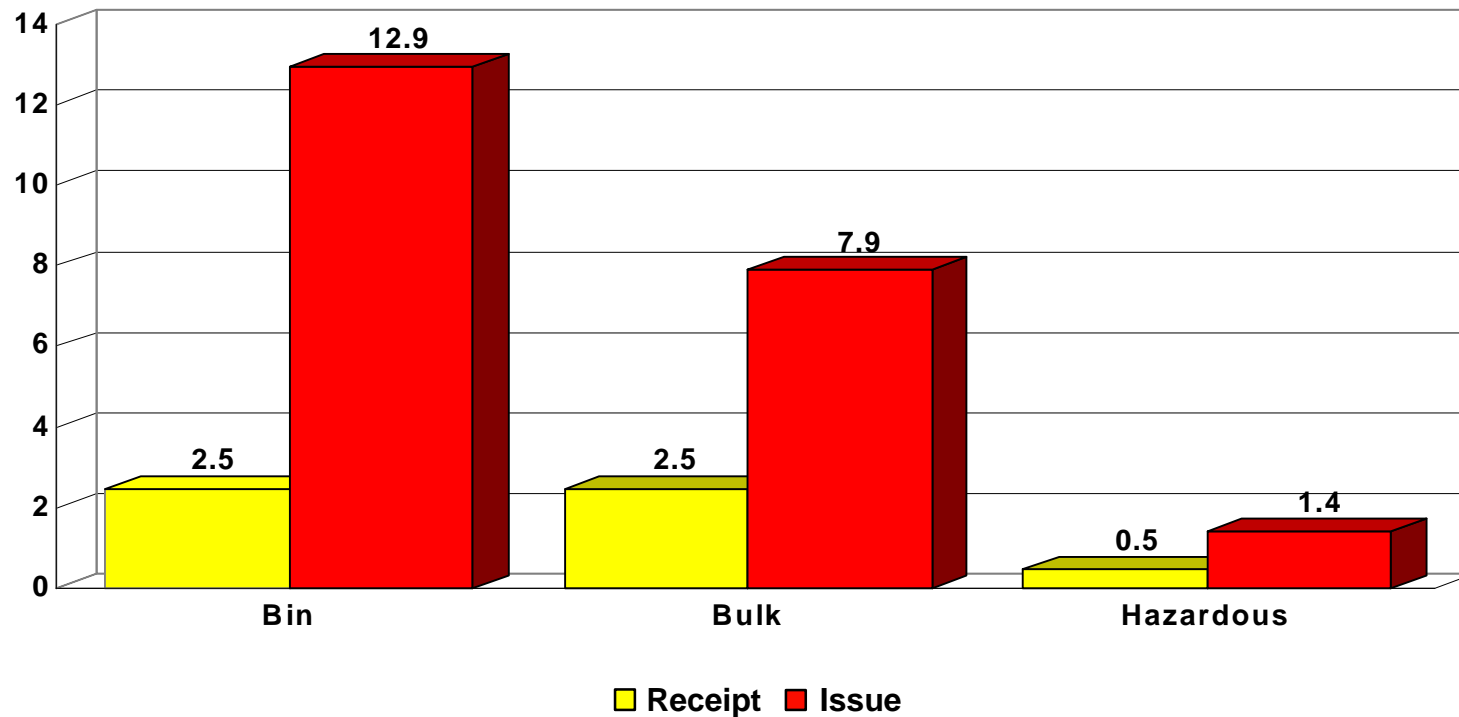
Millions of Cubic Feet



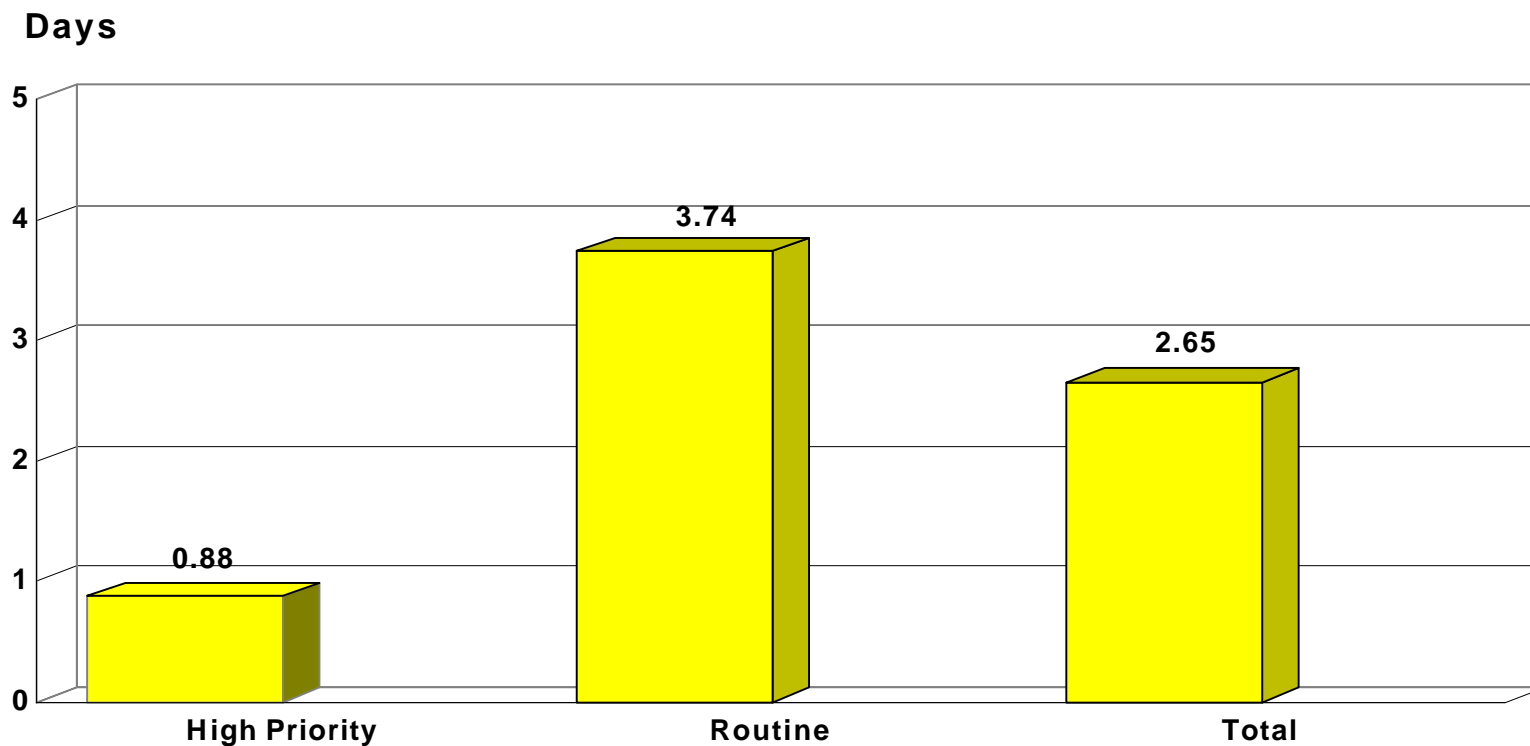
Source: DoD Storage and Space Management Report and DLA's 1996 Storage Space Management Plan, February 1997

Distribution Depots Workload

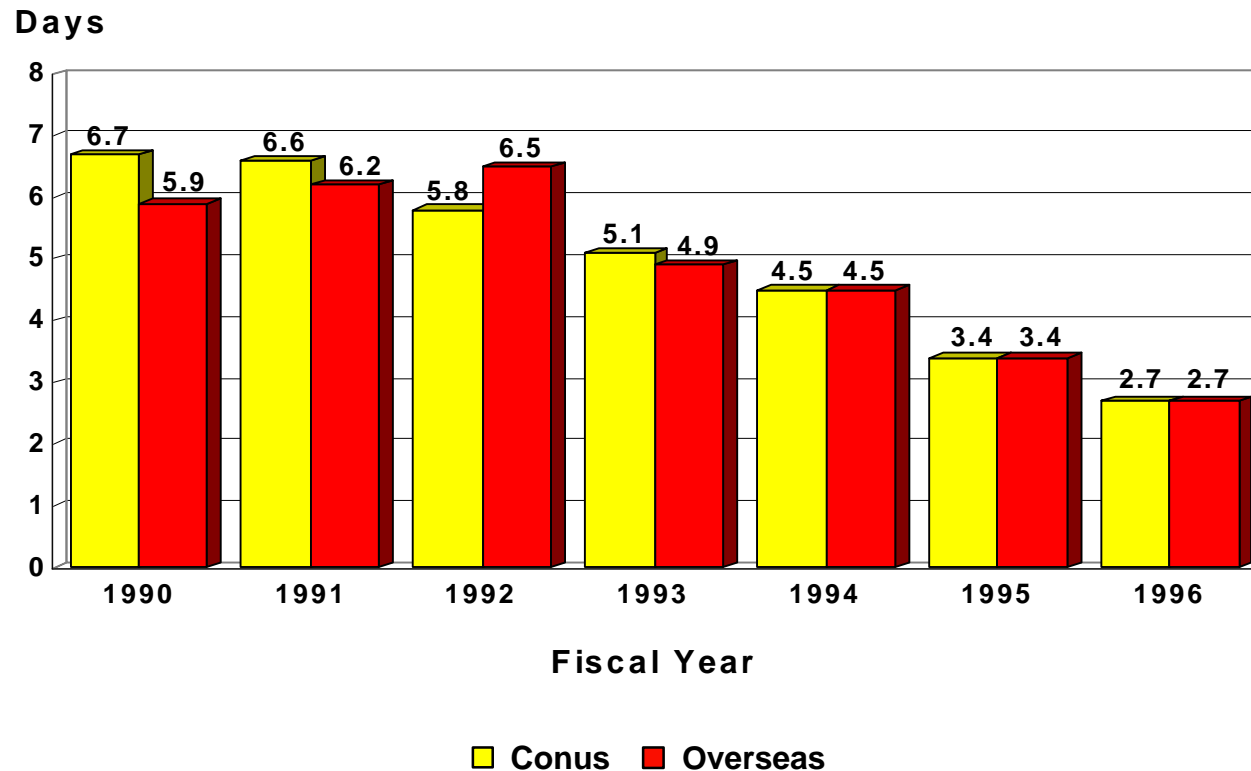
Millions of Transactions



Distribution Depots Processing Time

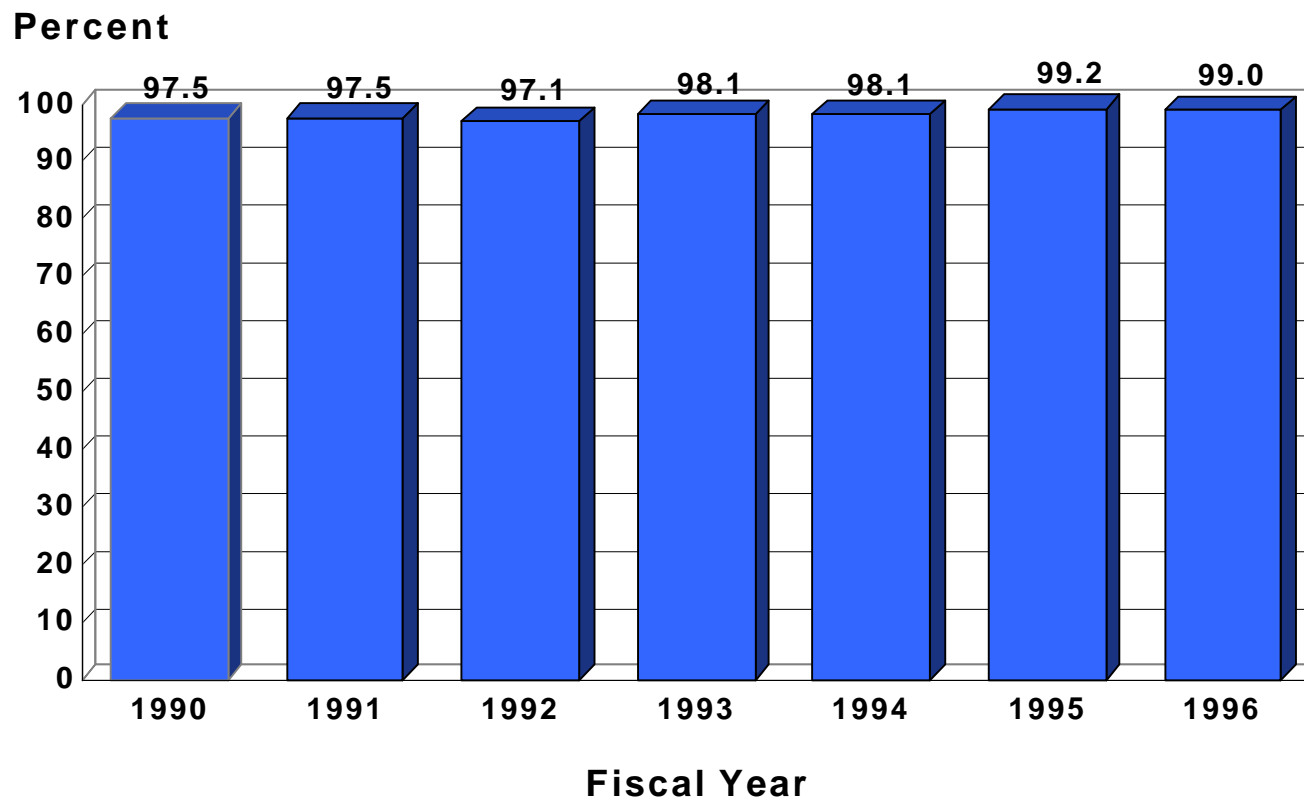


Distribution Depots Total Processing Time by Year



Source: *Requisition Submission and ICP and Depot Processing Time Report*, FY 1990 to FY 1996

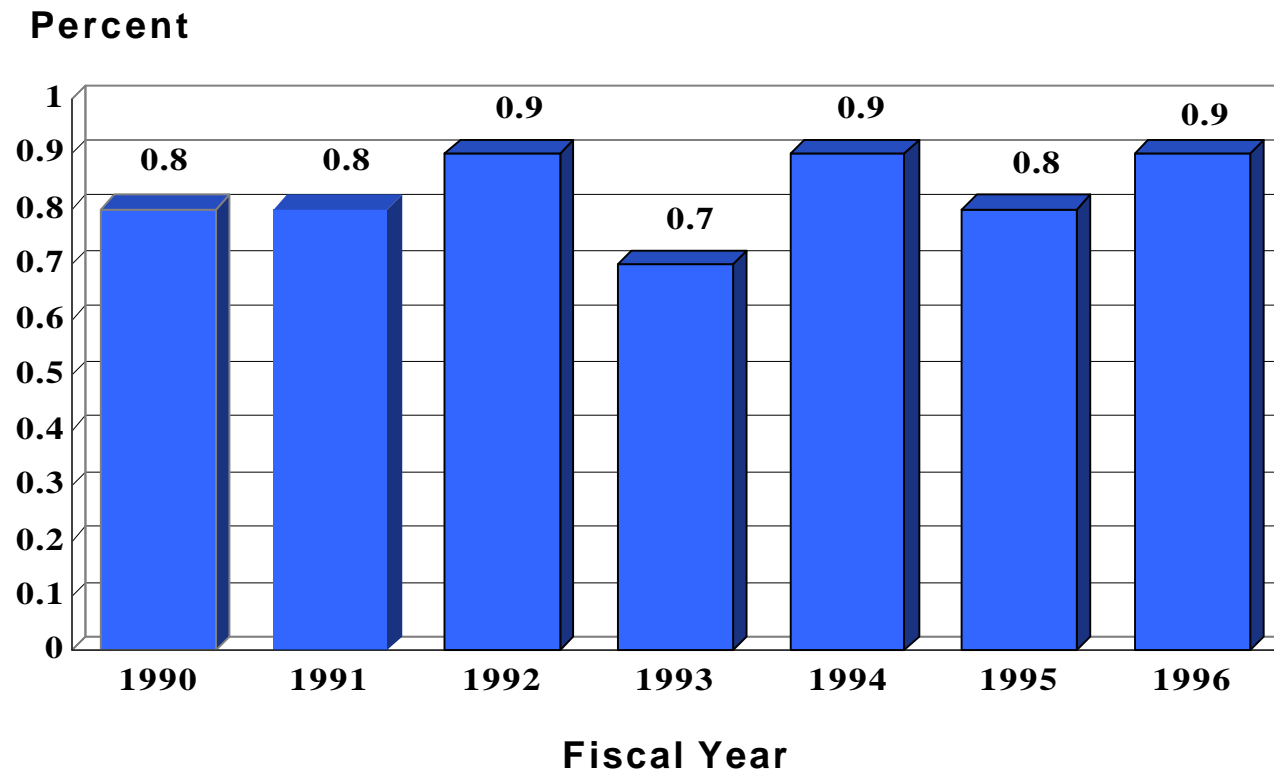
Materiel Location Accuracy



Note: Excludes Ammunition and Subsistence

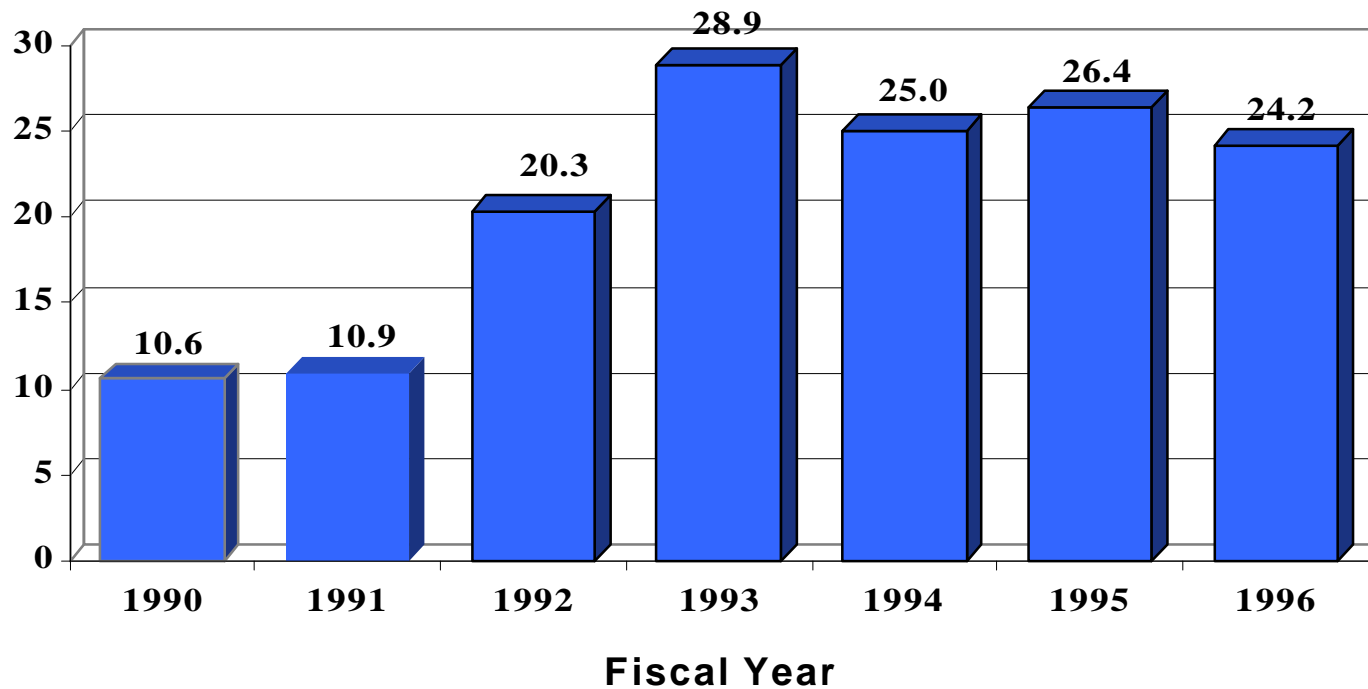
Source: *DLMSO Inventory Control Effectiveness Report*

Warehouse Denials



Materiel Transferred to Disposal System

**Current Year – \$ Billions at
Standard Price**



Note: Includes all disposals except aircraft, ships, and ammunition from end users.

Source: DLA *Program Administrator Report*, FY 1996